

Exhibit C –

Part 1

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2012-2016 BASIC AGREEMENT

This Agreement, effective December 12, 2011, is between the 30 Major League Clubs and the Major League Baseball Players Association (hereinafter referred to as the "Players Association" or the "Association").

In making this Agreement the Association represents that it contracts for and on behalf of the Major League Baseball Players and individuals who may become Major League Baseball Players during the term of this Agreement, and the Clubs represent that they contract for and on behalf of themselves, any additional Clubs which may become members of the Major Leagues and the successors thereof.

ARTICLE I—Intent and Purpose

The intent and purpose of the Clubs and the Association (hereinafter "the Parties") in entering into this Agreement is to set forth their agreement on certain terms and conditions of employment of all Major League Baseball Players for the duration of this Agreement. Each of the Parties acknowledges the rights and responsibilities of the other Party and agrees to discharge its responsibilities under this Agreement.

ARTICLE II—Recognition

The Clubs recognize the Association as the sole and exclusive collective bargaining agent for all Major League Players, and individuals who may become Major League Players during the term of this Agreement, with regard to all terms and conditions of employment, provided that an individual Player shall be entitled to negotiate in accordance with the provisions set forth in this Agreement (1) an individual salary over and above the minimum requirements established by this Agreement and (2) Special Covenants to be included in an individual Uniform Player's Contract, which actually or potentially provide additional benefits to the Player.

ARTICLE III—Uniform Player's Contract

The form of the Uniform Player's Contract between a Club and a Player is attached hereto as Schedule A, which is incorporated herein by reference and made a part hereof.

During the term of this Agreement, no other form of Uniform Player's Contract will be utilized. Should the provisions of any Contract between any individual Player and any of the Clubs be inconsistent with the terms of this Agreement, the provisions of this Agreement shall govern. Subject to the limitations set forth in Article IV below, nothing herein contained shall limit the right of any Club and Player to enter into Special Covenants in the space provided in a manner not inconsistent with the provisions of this Agreement. The termination of this Agreement shall not impair, limit or terminate the rights and duties of any Club or Player under any Contract between any individual Player and any of the Clubs.

ARTICLE IV—Negotiation and Approval of Contracts

A Player, if he so desires, may designate an agent to conduct on his behalf, or to assist him in, the negotiation of an individual salary and/or Special Covenants to be included in his Uniform Player's Contract with any Club, provided such agent has been certified to the Clubs by the Association as authorized to act as a Player Agent for such purposes.

The Association shall provide the Office of the Commissioner with a comprehensive list of the certified Player Agent(s) whom each Player has designated to act on his behalf for the purposes described in this Article IV. The Association also shall provide the Office of the Commissioner with any changes to such Player Agent designations, including the Player Agent designations of Players who have been added to a Major League roster, on a weekly basis. In addition, the Association will provide the Office of the Commissioner with notice of any revisions to its regulations governing Player Agents, and a complete copy of the revised regulations.

If the Association has notified the Office of the Commissioner that a Player has designated a certified Player Agent or Agents to act on his behalf for the purposes described in this Article IV, no Club may negotiate or attempt to negotiate an individual salary and/or Special Covenants to be included in a Uniform Player's Contract with any Player Agent(s) other than such Player Agent(s). No agent designation shall be considered effective unless it was transmitted from the Association to the Office of the Commissioner.

A Club may require a Player's physical presence only once during contract negotiations. This limitation shall not apply to telephone conference calls, at reasonable times, with a Player and his certified Player Agent. A Player required to be physically present during negotiations during the offseason shall be entitled to be paid by the Club for round-trip first-class transportation and first-class hotel costs, and a daily meal and tip allowance, at the same rate as the in-season meal and tip allowance provided under Article VII(B) for the immediately preceding season, for that day and any additional travel days.

Upon execution of a Uniform Player's Contract by the Club and Player, the Club promptly shall submit the Contract, in duplicate, to the Commissioner for approval. Within 20 days of receipt, the Commissioner shall approve or disapprove the Contract (with notice to the Association), or provide the Association with a written explanation of why the Contract has not been approved. This period is extended to 30 days if a Contract is received by the Commissioner between February 15 and April 15. Within ten days after the Commissioner is to provide an explanation of why a Contract has not been approved, the Commissioner shall approve or disapprove the Contract. (See Attachment 1.) Any Grievance challenging the Commissioner's conduct under this Article shall be handled by the Parties on an expedited basis with documents being exchanged within 10 days of the filing of the Grievance, a hearing commencing within 15 days of the filing of the Grievance and the Panel issuing an Award (with an opinion to follow, if necessary) no later than 15 days following the commencement of the hearing.

The Office of the Commissioner will provide copies of all newly signed and approved Uniform Player's Contracts as frequently as is feasible, but no less frequently than on a monthly basis. Contracts not yet approved or disapproved by the Commissioner will be made available to the Association upon its request.

ARTICLE V—Scheduling

A. Length of Season

During the term of this Agreement, each Club shall be scheduled to play 162 games during each championship season. A championship season will not be scheduled over a period of less than 178 days or

more than 183 days. If, however, any Club's championship season is scheduled to open with a game played outside of the United States and Canada, and the scheduling of such a game causes the championship season for those Clubs to be scheduled over a period of more than 183 days (an "International Opener"), then the championship season for all other Clubs shall commence on the date of the first regularly scheduled championship season game within the 183 days preceding the regularly scheduled end of the championship season. (See Article VI(C) and Article XV(K)(6)(d), below.)

Following completion of each championship season, ten Clubs shall qualify for Post-Season play: the three Division Champions in each League and the two other Clubs in each League with the highest percentage of wins in the championship season (Wild Card Clubs). In each Major League, the two Wild Card Clubs shall play a single elimination game. Thereafter, the three Division Champions in each League and the winner of the Wild Card Game in that League shall engage in best of five (seven if the Division Series is expanded) Division Series. (See Attachment 25.) The winners of the Division Series in each League shall then engage in a best of seven League Championship Series, and the winners of the two League Championship Series shall engage in a best of seven World Series. If during the term of this Agreement the format of the Wild Card Games, the Division Series, the League Championship Series or the World Series is proposed to be changed, the Clubs shall give the Association notice thereof and shall negotiate the proposed change with the Association; provided, however, that if during the term of this Agreement the Division Series is proposed to be changed to the best of seven games, the Clubs shall give the Association notice thereof and shall negotiate with the Association but the Clubs shall not be required to negotiate with the Association over contributions to the Players' pool beyond those specified in Article X. Any failure to play the Wild Card Games, the Division Series, the League Championship Series or the World Series, in whole or in part, by reason of causes beyond the control of the Clubs, shall not constitute a change in the format of such Series or a breach of this Agreement.

During any negotiations between the Parties on the subject of a renewal of or successor to this Agreement, the Clubs agree that any proposal made by the Association to reduce the number of championship season games shall not be resisted on the ground of commitments

made by the Clubs in local television and radio contracts. However, nothing herein shall interfere with or limit the right of the Clubs to resist such proposal on any other ground or the right of either Party to take any other position in future negotiations on this or any other proper subject for collective bargaining.

B. Championship Schedules

On or before July 1st of each year, copies of the tentative championship schedules of the Major Leagues for the next ensuing season shall be submitted to the Association for review. The Office of the Commissioner will use best efforts to include times of games. The Association shall complete its review not later than October 15th. Thereafter, the Office of the Commissioner will promptly notify the Association of proposed changes in the tentative championship schedules submitted to the Association above.

C. Additional Scheduling Agreements

(1) Split doubleheaders may be included in the original schedule pursuant to Section E below. Provided that neither of the Clubs involved in the proposed rescheduled game has already played or has been rescheduled to play a total of three split doubleheaders (exclusive of any splits in the original schedule) in that championship season:

(a) each Club shall have the right to reschedule any postponed game as a split doubleheader when ticket sales for the game at the time of postponement exceed, in any respect, the number of comparable tickets available to be exchanged by the Club for the balance of the championship season, and both the postponed and rescheduled game occur in the last regularly scheduled series between the two Clubs at the Club's park; and

(b) when there is no practical alternative to doing so, the Boston Red Sox and Chicago Cubs shall have the right to reschedule a postponed game as a split doubleheader to be played in, respectively, Fenway Park and Wrigley Field, even if the criteria set out in subparagraph (a) above are not met. Scheduling a postponed game as part of a conventional doubleheader will not be considered a practical alternative.

The Association shall have the exclusive right to approve the additional rescheduling of postponed games as split doubleheaders in circumstances that are not automatically permitted by subparagraph (a) or (b) above. If the Association agrees to a split doubleheader pursuant to the preceding sentence, it shall be scheduled for the visiting Club's next visit to the home Club's park absent good cause and agreement between the Office of the Commissioner and the Association.

(2) One-day stands will not be scheduled except as doubleheaders (to be followed by an open day) or as "openers," provided that any game played on the day following the opener does not start before 4 P.M. local time. A game will not be rescheduled as a one-game stand except as required to complete the championship schedule.

(3) During the championship season, no Club shall be scheduled to play an exhibition game. For purposes of this paragraph (3), a spring training or pre-season exhibition game that is scheduled to commence at least three hours before the start of the first championship season game shall not be considered played "during the championship season."

(4) Beginning in 2013, there shall be one off-day with no workouts scheduled either after a Club breaks spring training camp and before the final pre-season exhibition game, or between the last spring training or pre-season exhibition game and the first championship season game.

(5) The following shall apply to the scheduling or rescheduling of games prior to day doubleheaders:

(a) a game will not be scheduled to start after 5 P.M. if either Club is scheduled to play a day doubleheader the next day;

(b) a game will not be rescheduled to start after 5 P.M. if either Club is scheduled to play a day doubleheader the next day unless such rescheduling is necessary to complete the championship schedule.

(6) Day games shall not be scheduled or (unless necessary to complete the championship schedule) rescheduled to start before 1 P.M., except as provided in paragraph (7) below, and except that

such games may be scheduled or rescheduled to start between Noon and 1 P.M., if each Club meets one of the following two conditions:

- (a) if an off-day occurred the previous day; or
- (b) if a game were played in the same city within the previous 24 hours.

Day games may be scheduled or rescheduled to start between Noon and 1 P.M. on holidays if each Club meets one of the above conditions or if an afternoon game starting not later than 5 P.M. or a double-header starting not later than 1:30 P.M. was played in another city the previous day and the travel time required in-flight is 1½ hours or less.

(7) With the approval of the Commissioner, not more than 4 games per League per year may be scheduled or rescheduled to start between 10:30 A.M. and Noon, if, with respect to both Clubs, the conditions stated in paragraph (6) above with respect to scheduling and rescheduling of day games between Noon and 1 P.M. are met.

(8) For the 2012 season, Clubs may be scheduled to play a road game starting after 5 P.M. even if such game is followed by a home off-day. On or before October 15, 2012, the Players Association may provide written notice to the Office of the Commissioner that beginning with the 2013 season, no Club shall be scheduled to play a road game starting after 5 P.M. if such game is a road game and is followed by a home off-day, unless:

- (a) a later game is required to be scheduled pursuant to a national television agreement; or
- (b) the road Club is playing at Texas on or after June 1.

If the Players Association provides such written notice, it also shall grant one additional exception only to a Club that is limited by its stadium lease agreement or a governmental regulation, in the number of day games it may play, and only after the Club has applied for and has been denied a waiver by its lessor or the local governmental authority.

(9) Getaway games shall not be scheduled or rescheduled to start later than 5 P.M. if either Club is required to travel for a day game, scheduled the next day, between cities in which the in-flight time is

more than 1½ hours. In each season, the championship season schedule may contain six exceptions to the rule in the immediately preceding sentence provided that the traveling Club is traveling to Chicago to play the Cubs and the in-flight time does not exceed 2½ hours.

(10) To the extent reasonably practicable, open days shall be nontravel days, except as permitted in paragraph (11), below.

(11) An open day shall be scheduled for or following travel from cities in the Pacific time zone to cities in the Eastern time zone except that the Commissioner may schedule not more than seven (7) games per championship season in each League with a starting time after 7 P.M. in the Eastern time zone which include a Club that the day before played a game scheduled to start prior to 5 P.M. in the Pacific time zone. In any championship season, however, no Club may be scheduled to play more than one (1) game in the Eastern time zone the day after it has played a game in the Pacific time zone.

(12) No Club shall be scheduled, or rescheduled if practicable, to play more than 20 consecutive dates without an open day. A rained-out game may be rescheduled to an open date in the same series, or to an open date at the end of the same series, if (a) the open date is a road off-day for the visiting Club, and (b) the rescheduling does not result in the home team playing more than 24 consecutive dates without an open day.

(13) Commencing with its second scheduled championship season game, a Club shall not be scheduled for more than two open days in any seven-day period. No Club may be scheduled to have more than ten open days prior to the All-Star Game. For purposes of this Article V(C)(13), a Club will not be credited with an open day for any day of the championship season that precedes the Club's first scheduled game.

(14) Home games which are scheduled or rescheduled away from the park of the home Club shall be considered road games for the purposes of Players' meal and tip allowances, hotel accommodations and transportation.

(15) Doubleheaders shall not be scheduled on consecutive dates in the original schedule.

(16) Twi-night doubleheaders will be limited in the original schedule to three per home Club per season. A twi-night doubleheader will not be scheduled on a getaway day.

(17) Only postponed, suspended and tied games shall be rescheduled, except as may be required to accommodate network television commitments or to comply with stadium leases, in any of which events the rescheduling rules set forth in this Article V shall apply; provided, however, that any game may be rescheduled for any reason if as rescheduled it conforms to the rules governing the original schedule.

(18) Club championship season games shall not be played during the All-Star break. Further, any workout scheduled by a Club for the off days immediately following the All-Star Game shall be voluntary. No game on the Sunday night prior to the All-Star Game shall be played in a location more than one time zone from the location of that year's All-Star Game and no Club shall be scheduled to play the Sunday night prior to the All-Star Game more than once during the term of this Agreement, except as shall be necessary to fulfill existing contractual or promotional commitments; provided further, however, that in no circumstance shall a Club be required to play in two consecutive years in such game, or be required to play more than twice during the term of this Agreement.

(19) With respect to the rescheduling of any game, except for games rescheduled as split doubleheaders as set forth in Section C(1), any scheduling or rescheduling rule set forth in this Article V may be waived by the secret ballot vote of a majority of the Players on the Club(s) that would be in violation of the rule. Separate votes shall be required with regard to each game for which a waiver is sought. A waiver granted pursuant to this provision, as well as a waiver granted by the Association pursuant to Section C(1), shall not constitute a precedent with regard to future waiver requests. With respect to the rescheduling of any such game, and all games rescheduled pursuant to Section C(1), the Club(s) shall consult with the Association concerning the actual date and time of such rescheduled game. The Club(s) shall use best efforts to notify the Association in advance of notifying the Players on the Club(s) affected.

D. Interleague Play

Each Club may be scheduled to play up to 20 Interleague games during each championship season. In each Interleague game at an American League park, the Designated Hitter shall be used; at each Interleague game at a National League park, the Designated Hitter shall not be used.

E. 15/15 Realignment

Beginning with the 2013 championship season, the Office of the Commissioner will prepare a schedule based on the following criteria:

- (1) There will be no more than 20 Interleague games. The bulk of Interleague play will be based on a rotating division format, but may include no more than one series against a prime inter-league rival unless they play two two-game series. In the years when the corresponding divisions are scheduled for Interleague play, two series of three or fewer games against the prime inter-league rival may be played.
- (2) Each Club will play no fewer than 17 games against each Club in its division if the schedule is 181 days or more. Each Club will play no fewer than 18 games against each Club in its division if the schedule is 180 days or fewer.
- (3) The original schedule may contain one home split double-header for each Club.
- (4) The All-Star break will contain four days for all Clubs.

ARTICLE VI—Salaries

Individual Player salaries shall be those as agreed upon between a Player and a Club, as evidenced by the execution of a Uniform Player's Contract, subject to the following:

A. Minimum Salary

- (1) The minimum rate of payment to a Player for each day of service on a Major League Club shall be as follows:

2012—at the rate per season of \$480,000;

2013—at the rate per season of \$490,000;

2014—at the rate per season of \$500,000;

2015—at the 2014 rate per season plus a cost of living adjustment, rounded to the nearest \$500, provided that the cost of living adjustment shall not reduce the minimum salary below \$500,000;

2016—at the 2015 rate per season plus a cost of living adjustment, rounded to the nearest \$500, provided that the cost of living adjustment shall not reduce the minimum salary below the 2015 rate per season.

(2) For all Players (a) signing a second Major League contract (not covering the same season as any such Player's initial Major League contract) or a subsequent Major League contract, or (b) having at least one day of Major League service, the minimum salary shall be as follows:

(i) for Major League service—at a rate not less than the Major League minimum salary;

(ii) for Minor League service—at a rate not less than the following:

2012—at the rate per season of \$78,250;

2013—at the rate per season of \$79,900;

2014—at the rate per season of \$81,500;

2015—at the 2014 rate per season plus a cost of living adjustment, rounded to the nearest \$100, provided that the cost of living adjustment shall not reduce the minimum salary below \$81,500;

2016—at the 2015 rate per season plus a cost of living adjustment, rounded to the nearest \$100, provided that the cost of living adjustment shall not reduce the minimum salary below the 2015 rate per season.

(3) For all Players signing a first Major League contract who are not covered by paragraph (2) above, the minimum salary for Minor League service shall be as follows:

2012—at the rate per season of \$39,125;

2013—at the rate per season of \$39,900;

2014—at the rate per season of \$40,750;

2015—at the 2014 rate per season plus a cost of living adjustment, rounded to the nearest \$100, provided that the cost of living adjustment shall not reduce the minimum salary below \$40,750;

2016—at the 2015 rate per season plus a cost of living adjustment, rounded to the nearest \$100, provided that the cost of living adjustment shall not reduce the minimum salary below the 2015 rate per season.

(4) (a) Cost of living adjustments for the minimum salaries described in paragraphs (1), (2) and (3) above shall be computed as follows to determine the applicable 2015 salary rate: the applicable minimum salary rate for the 2014 season shall be multiplied by a fraction, the numerator of which is the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics (CPIW) for October 2014 and the denominator of which is the CPIW for October 2013.

(b) Cost of living adjustments for the minimum salaries described in paragraphs (1), (2) and (3) above shall be computed as follows to determine the applicable 2016 salary rate: the applicable minimum salary rate for the 2015 season shall be multiplied by a fraction, the numerator of which is the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics (CPIW) for October 2015 and the denominator of which is the CPIW for October 2014.

(See Attachment 31.)

B. Maximum Salary Reduction

(1) Maximum Salary Cut Rule

A Club may not tender, sign or renew a Player under reserve to the Club pursuant to Article XX(A) of this Agreement and paragraph 10(a) of the Uniform Player's Contract to a Uniform Player's Contract that provides a salary for:

- (a) Major League service that constitutes a reduction in excess of 20% of his salary for Major League service in the previous season or in excess of 30% of his salary for Major League service two seasons prior to the first season covered by the new contract; or
- (b) Minor League service as calculated under Section 2(c) below that constitutes a reduction in excess of 40% of his salary for Minor League service in the previous season.

(2) Calculation of Previous Seasons Salaries

(a) Single-Year Contract—Previous Major League Salaries

In order to calculate a Player’s salary for Major League service in the previous season or two seasons prior to the first season covered by the new contract, the following steps shall be taken:

- (i) Base Salary. The Player’s “Base Salary” shall be the rate of pay for Major League service contained in paragraph 2 of the contract, or in any special covenant thereto. The Base Salary shall be adjusted in accordance with paragraphs 2(a)(ii)-(v) below to determine the Player’s salary.
- (ii) Deferred Compensation Adjustment. If any deferred compensation is included in the Base Salary, the Base Salary shall be adjusted to reflect the discounted present value of the deferred amount.
- (iii) Signing Bonus Adjustment. If the contract contains a signing bonus, the signing bonus shall be added to the Base Salary. If any portion of the signing bonus is deferred, the present value of the signing bonus shall be used for purposes of the calculation in this paragraph 2(a)(iii).
- (iv) Performance Bonus Adjustment. If the contract contains performance bonuses, regardless of whether or not any portion of the bonus is earned, the Club has the option of either adding the entire bonus (both earned and unearned portions) in the Base Salary, or excluding it from the Base Salary but repeating the bonus on the same terms.

(v) Other Forms of Compensation Adjustment. If the contract contains any other forms of compensation, the determination of whether the compensation shall be included in the salary calculation will be determined in accordance with the facts in each situation. Amounts that are payable on the occurrence of a specific event or events shall not be included in Base Salary if such event or events fail to occur within the specified period. If the item is included, the Club has the option of either including the value of the item in the Base Salary, or excluding it from Base Salary but repeating the item on the same terms.

The following is a nonexhaustive list of other forms of compensation:

- (A) payments for performing services for a Club in addition to skilled services as a baseball player;
- (B) cash, lump sum, payments made in accordance with agreed upon special covenants to compensate for trading a Player, releasing a Player, etc.;
- (C) the value of individual property rights granted to a Player by a Club;
- (D) any compensation for postactive Major League Baseball playing career employment; and
- (E) other payments or things of value not specifically made for performance as a Major League Baseball Player.

(b) Multi-Year Contract—Previous Major League Salaries

In order to calculate a Player's salary for Major League service in the previous season or two seasons prior to the first season covered by the new contract, the following steps shall be taken:

(i) Base Salary

(A) If the annual rates of pay contained in paragraph 2 of the contract, or in any special covenant thereto, satisfy the maximum salary cut rule, the rate of pay stipulated in the contract for the year at issue shall be the Player's Base Salary.

(B) If the annual rates of pay contained in paragraph 2 of the contract, or in any special covenant thereto, do not satisfy the maximum salary cut rule, the average annual value (“AAV”) of the contract shall be the Player’s Base Salary for the year at issue. The AAV shall be calculated by averaging the rates of pay contained in paragraph 2 of the contract (or any special covenants thereto) for each year of the contract. If deferred compensation is contained in any year of the multi-year contract, the present value of the deferred amount will be used for purposes of calculating the AAV.

(C) The Base Salary shall be adjusted in accordance with paragraphs 2(b)(ii)-(iv) below to determine a Player’s salary.

(ii) Signing Bonus Adjustment. If the contract contains a signing bonus, the bonus, irrespective of payment dates, shall be prorated and included in equal amounts as part of the Base Salary for each year of the contract. If any portion of the signing bonus is deferred beyond the expiration of the contract, the present value of the signing bonus shall be used for purposes of the calculation in this paragraph 2(b)(ii).

(iii) Performance Bonus Adjustment. If the year of the multi-year contract at issue contains performance bonuses, they shall be treated in the same manner as in paragraph 2(a)(iv) above.

(iv) Other Forms of Compensation Adjustment. If the year of the multi-year contract at issue contains any other forms of compensation, they shall be treated in the same manner as in paragraph 2(a)(v) above.

(c) Previous Season Minor League Salary

In order to calculate a Player’s salary for Minor League service in the previous season, the following steps shall be taken:

(i) Contracts That Do Not Contain a Separate Rate of Pay for Minor League Service. If a single year contract, or the relevant year of a multi-year contract, does not contain a separate rate of pay for Minor League service, the Player’s salary for Minor League service in the previous season shall be deemed

to be the same as his salary for performing Major League service as calculated pursuant to paragraph 2(a) or 2(b) above.

(ii) Contracts that Contain a Separate Rate of Pay for Minor League Service.

(A) If a single-year contract, or the relevant year of a multi-year contract, contains a separate rate of pay for Minor League service, and the rate of pay is higher than the Major League minimum salary for the preceding season contained in Article VI(A)(1), the Player's salary for Minor League service in the previous season shall be the rate of pay for Minor League service that is stipulated in the contract. For purposes of this paragraph 2(c)(ii), the stipulated rate of pay for Minor League service contained in the contract shall not be adjusted to account for a signing bonus, performance or award bonuses, or any other forms of compensation provided for by the contract.

(B) If a single-year contract, or the relevant year of a multi-year contract, contains a separate rate of pay for Minor League service, and that rate of pay is lower than the Major League minimum salary for the prior season contained in Article VI(A)(1), the Player's salary for Minor League service in the previous season shall be the greater of the total amount of the Player's actual baseball salary earnings (defined below) in that season, or the rate of pay stipulated for Minor League service in the Player's contract for that season. A Player's "actual baseball salary earnings" for purposes of this paragraph 2(c)(ii)(B) shall include only those amounts paid to the Player as salary for performing services in the Major or Minor Leagues, and shall not include signing bonuses, performance or award bonuses, or any other forms of compensation provided for by the contract.

(d) Fines or Suspensions

The calculation of a Player's previous year salaries shall include amounts which were not paid to a Player for the season by reason of any fine or suspension which may have been imposed on the Player, or by reason of any deduction from salary.

(e) Option Years

Option years shall be included as a year of the contract if the option had been fully exercised at the time of the tender, signing or renewal.

(3) *Disputes*

In the event of a dispute regarding a contract tender, signing or renewal with respect to any form of additional compensation referred to in paragraph (2)(a)(v) or 2(b)(iv) above, either the Player or Club may file a Grievance in order to obtain a determination with respect thereto as the exclusive means of resolving such dispute, and both parties shall be bound by the resulting decision. The contract tender, signing or renewal shall be altered as necessary to conform to the decision, and such tender, signing or renewal shall remain valid.

C. Standard Length of Season

For the purpose of calculating a Player's daily rate of pay, a championship season shall be deemed to commence on the date of the first regularly scheduled championship season game and to conclude on the date of the last regularly scheduled championship season game. This rule shall apply uniformly to all Players and all Clubs, notwithstanding differences in a particular Club's schedule, except as provided otherwise by Article V(A) and Article XV(K)(6).

D. Salary Continuation—Military Encampment

Payment of Player salaries shall be continued throughout any period in which a Player is required to attend a regularly scheduled military encampment of the Reserve of the Armed Forces or of the National Guard during the Club's playing season.

E. Salary Arbitration

The following salary arbitration procedure shall be applicable:

(1) *Eligibility.*

(a) General Rule. Any Player with a total of three or more years of Major League service, however accumulated, but with

less than six years of Major League service, may submit the issue of the Player's salary to final and binding arbitration without the consent of the Club, subject to the provisions of paragraph (3) below. Nothing contained herein shall limit the right of any Player, with the consent of the Club, to submit the issue of his salary to final and binding arbitration.

(b) "Super Two" Players. In addition, a Player with at least two but less than three years of Major League service shall be eligible for salary arbitration if: (a) he has accumulated at least 86 days of service during the immediately preceding season; and (b) he ranks in the top 22% (rounded to the nearest whole number) in total service in the class of Players who have at least two but less than three years of Major League service, however accumulated, but with at least 86 days of service accumulated during the immediately preceding season. If two or more Players are tied at 22%, all such Players shall be eligible.

(2) Notice of Submission

Election of submission shall be communicated by the Player to the Association. Written notice of submission shall then be given by the Association on behalf of the Player to the designated representative of the Major League Baseball Labor Relations Department ("LRD") on the Filing Date, and the Association and the LRD shall exchange salary figures on the Exchange Date, set forth in the schedule below:

<u>Year</u>	<u>Filing Date</u>	<u>Exchange Date</u>
2012	Friday, January 13	Tuesday, January 17
2013	Tuesday, January 15	Friday, January 18
2014	Tuesday, January 14	Friday, January 17
2015	Tuesday, January 13	Friday, January 16
2016	Tuesday, January 12	Friday, January 15

It shall be the responsibility of the Association during the period between the Filing Date and the Exchange Date to obtain the salary figure from the Player, and the LRD shall have a similar responsibility to obtain the Club's figure. In the event that the Player does not submit to arbitration, the rights and obligations of

the Club and Player shall be as they would have been had the salary arbitration procedure never been invoked.

(3) *Withdrawal from Arbitration.* In the event the Club and Player reach agreement on salary before the arbitration panel reaches a decision, the matter shall be deemed withdrawn from arbitration; provided, however, that any agreements that have not been reported both to the Association and the LRD by 1 P.M. Eastern Time on the Exchange Date shall not be confirmed until after the Club and Player exchange numbers.

(4) *Form of Submission.* The Player and the Club shall exchange with each other in advance of the hearing single salary figures for the coming season (which need not be figures offered during the prior negotiations) and then shall submit such figures to the arbitration panel. At the hearing, the Player and Club shall deliver to the arbitration panel an executed Uniform Player's Contract, complete except for the salary figure to be inserted in paragraph 2. Upon submission of the salary issue to arbitration by either Player or Club, the Player shall be regarded as a signed Player (unless the Player withdraws from arbitration as provided in paragraph (3) above).

(5) *Selection of Arbitrators.* The Association and the LRD shall annually select the arbitrators. In the event they are unable to agree by January 1 in any year, they jointly shall request that the American Arbitration Association furnish them lists of prominent, professional arbitrators. Upon receipt of such lists, the arbitrators shall be selected by alternately striking names from the lists. All cases shall be assigned to three-arbitrator panels. The Association and the LRD shall designate one arbitrator to serve as the panel chair.

(6) *Location of Hearings.* The single hearing site for each year will be agreed upon by the parties with preference being given to either Los Angeles, Tampa/Orlando, or Phoenix.

(7) *Conduct of Hearings.* The hearings shall be conducted on a private and confidential basis. Each of the parties to a case shall be limited to one hour for initial presentation and one-half hour for

rebuttal and summation. Cross-examination of witnesses shall not count against the aforesaid time limitations, and such time limitations may be extended by the arbitration panel for good cause.

The parties shall exchange all written materials to be utilized in their respective initial presentations at the outset of a hearing. The order of presentation shall be as follows:

- (a) Player's initial presentation;
- (b) Club's initial presentation;
- (c) Player's rebuttal and summation;
- (d) Club's rebuttal and summation;
- (e) Player's surrebuttal, which shall be very brief and offered to respond to new issues raised during the Club's rebuttal; and
- (f) If requested by the Club, the Panel may, at its discretion, allow the Club very brief surrebuttal to respond to new issues raised by the Player.

Notwithstanding this order of presentation, neither party shall carry the burden of proof.

(8) *Continuances, Adjournments or Postponements.* There shall be no continuances or adjournments of a hearing, but the commencement of a hearing may be postponed by the arbitration panel upon the application of either the Player or Club based upon a showing of substantial cause. Any request for the postponement of a scheduled hearing shall be made to the panel chair in writing, with copies to the Association and the LRD. Disclosure of individual votes by panel members shall be in accordance with paragraph (13) below.

(9) *Hearing Costs.* The Player and Club shall divide equally the costs of the hearing, and each shall be responsible for his own expenses and those of his counsel or other representatives.

(10) *Criteria*

- (a) The criteria will be the quality of the Player's contribution to his Club during the past season (including but not limited to his

overall performance, special qualities of leadership and public appeal), the length and consistency of his career contribution, the record of the Player's past compensation, comparative baseball salaries (see paragraph (11) below for confidential salary data), the existence of any physical or mental defects on the part of the Player, and the recent performance record of the Club including but not limited to its League standing and attendance as an indication of public acceptance (subject to the exclusion stated in subparagraph (b)(i) below). Any evidence may be submitted which is relevant to the above criteria, and the arbitration panel shall assign such weight to the evidence as shall appear appropriate under the circumstances. The arbitration panel shall, except for a Player with five or more years of Major League service, give particular attention, for comparative salary purposes, to the contracts of Players with Major League service not exceeding one annual service group above the Player's annual service group. This shall not limit the ability of a Player or his representative, because of special accomplishment, to argue the equal relevance of salaries of Players without regard to service, and the arbitration panel shall give whatever weight to such argument as is deemed appropriate.

- (b) Evidence of the following shall not be admissible:
 - (i) The financial position of the Player and the Club;
 - (ii) Press comments, testimonials or similar material bearing on the performance of either the Player or the Club, except that recognized annual Player awards for playing excellence shall not be excluded;
 - (iii) Offers made by either Player or Club prior to arbitration;
 - (iv) The cost to the parties of their representatives, attorneys, etc.;
 - (v) Salaries in other sports or occupations.

(11) *Confidential Major League Salary Data.* For its confidential use, as background information, the arbitration panel will be given a tabulation showing the minimum salary in the Major

Leagues and salaries for the preceding season of all players on Major League rosters as of August 31, broken down by years of Major League service. The names and Clubs of the Players concerned will appear on the tabulation. In utilizing the salary tabulation, the arbitration panel shall consider the salaries of all comparable Players and not merely the salary of a single Player or group of Players.

(12) *Prohibition Regarding Competitive Balance Tax.* No participant in a salary arbitration shall refer in any fashion, either orally or in writing, to any of the provisions in Article XXIII (Competitive Balance Tax). No salary arbitration panel shall consider in any fashion any of the provisions in Article XXIII (Competitive Balance Tax).

(13) *Timetable and Decision.* Arbitration hearings shall be scheduled to be held from February 1 to February 20 absent a contrary agreement of the parties. The arbitration panel may render the decision on the day of the hearing, and shall make every effort to do so not later than 24 hours following the close of the hearing. The arbitration panel shall be limited to awarding only one or the other of the two figures submitted. There shall be no opinion. There shall be no release of the arbitration award by the arbitration panel except to the Club, the Player, the Association and the LRD. The panel chair shall initially inform the Association and the LRD of the award only and not how the panel members voted. The panel chair shall disclose to the Association and the LRD the individual votes of the panel members on each March 15 following the February hearings. The panel chair shall insert the figure awarded in paragraph 2 of the executed Uniform Player's Contract delivered at the hearing and shall forward the Contract to the Office of the Commissioner.

ARTICLE VII—Expenses and Expense Allowances

A. Transportation and Travel Expenses

Each Club shall pay the following expenses of Players:

(1) All proper and necessary traveling expenses of Players while “abroad,” or traveling with the Club in other cities, including board,

and first-class jet air and hotel accommodations, if practicable, for any travel that is directed, requested or required by the Club. Players who have reported to the Minor Leagues at the time of the event, transaction, direction or request that results in the travel will receive travel expenses in accordance with past practice as set forth in Article XIX(B) and (C)(3)(d).

Each Club shall give written notice to the team's Player Representative and the Association, prior to December 1 of each year, of the hotels, including hotels in the Club's home city and spring training hotels, that the Club intends to utilize during the next succeeding season.

On regularly scheduled commercial flights, when first-class accommodations cannot practicably be provided and Players travel in the coach section, the Club shall provide three seats for each two Players and first-class meals.

During the championship season, including travel to the first game of such season, no Club, absent extraordinary circumstances that make travel by plane impossible, may travel by bus between games if the distance between the two cities is, by the most direct highway route, more than 200 miles (one way).

(2) First-class jet air fare and meals en route, of Players to their homes at the end of the season, regardless of where the Club finished its season. If the Club finishes its season "abroad" and appropriate transportation is not provided back to the Club's home city, any Player who elects to return home via the Club's home city shall be paid an amount equal to the first-class jet air fare and meals en route back to the Club's home city plus the first-class jet air fare and meals en route from the Club's home city to the Player's home. A Player who has more than one home shall receive payment based on the home to which he actually travels.

(3) All necessary traveling expenses, including first-class jet air fare and meals en route, of Players from their homes to the spring training place of the Club, whether they are ordered to go there directly or by way of the home city of the Club. A Player who has more than one home shall receive payment based on the home from which he actually travels.

(4) In the case of assignment of a Player's contract during the championship season or during spring training, all traveling expenses, including first-class jet air fare and meals en route, of the Player as may be necessary to enable him to report to the assignee Club. The Club shall also reimburse the Player for all travel expenses, including first-class jet air fare and meals en route, for the Player's wife for one assignment during the championship season. Such expenses may not be claimed by the Player as part of his moving expenses under Article VIII(C), unless not paid under this provision. A Club may offset such expenses against any moving allowance provided pursuant to Article VIII(A).

(5) In the case of termination by the Club of a Player's contract during the championship season or during spring training, reasonable traveling expenses, including first-class jet air fare and meals en route, to the Player's home city.

(6) In the event a Player is required to attend a regularly scheduled military encampment of the Reserve of the Armed Forces or of the National Guard during the championship season or during spring training, the Player's air fare to and from the encampment.

B. In-Season Meal and Tip Allowance

(1) During the championship season, each Player shall receive a daily meal and tip allowance for each date a Club is on the road and for each traveling day. No deductions will be made for meals served on an airplane.

(2) If, when a Club departs from the home city, Players are required to report for departure at or prior to Noon, Players will receive the full daily allowance for that date; if Players are required to report for departure after Noon, Players will receive one-half of the daily allowance for that date. Returning to the home city, if arrival is later than 6 P.M., Players will receive the full daily allowance; if arrival is at or prior to 6 P.M., Players will receive one-half of the daily allowance.

(3) During the 2012 championship season, the base daily allowance shall be \$92.50, plus a cost of living adjustment rounded to the nearest \$.50 as calculated in Article VII(B)(4) below. During the 2013, 2014, 2015 and 2016 championship seasons, the daily

allowance shall be the prior season's allowance plus a cost of living adjustment rounded to the nearest \$.50 as calculated in Article VII(B)(4) below. Notwithstanding the foregoing, the daily allowance will not be reduced below \$92.50 during the term of the Basic Agreement.

(4) Cost of living adjustments shall be computed as follows.

(a) To determine the allowance figure effective for the 2012 season, the base allowance figure provided by this Agreement shall be multiplied by a fraction, the numerator of which is the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPIW) published by the Bureau of Labor Statistics for October 2011 and the denominator of which is the CPIW for October 2010.

(b) To determine the allowance figure effective for the 2013 season, the allowance figure for the 2012 season, as adjusted, shall be multiplied by a fraction, the numerator of which is the CPIW for October 2012 and the denominator of which is the CPIW for October 2011.

(c) To determine the allowance figure effective for the 2014 season, the allowance figure for the 2013 season, as adjusted, shall be multiplied by a fraction, the numerator of which is the CPIW for October 2013 and the denominator of which is the CPIW for October 2012.

(d) To determine the allowance figure effective for the 2015 season, the allowance figure for the 2014 season, as adjusted, shall be multiplied by a fraction, the numerator of which is the CPIW for October 2014 and the denominator of which is the CPIW for October 2013.

(e) To determine the allowance figure effective for the 2016 season, the allowance figure for the 2015 season, as adjusted, shall be multiplied by a fraction, the numerator of which is the CPIW for October 2015 and the denominator of which is the CPIW for October 2014.

(See Attachment 31.)

(5) To the maximum extent possible, each Club shall provide the daily allowance pursuant to an accountable plan whereby to the

maximum extent possible the daily allowance will be excluded from a Player's gross income.

C. Spring Training Allowances

(1) During the 2012 spring training season, each Player shall receive a base weekly allowance of \$291.50, and each Player living away from the Club's spring training headquarters also shall receive a base supplemental weekly allowance of \$51.50, plus a cost of living adjustment for both allowances rounded to the nearest \$.50. During the 2013, 2014, 2015 and 2016 seasons, the weekly and supplemental allowances shall be the prior season's allowance plus the cost of living adjustment rounded to the nearest \$.50. Notwithstanding the foregoing, the weekly allowance will not be reduced below \$291.50, and the supplemental allowance will not be reduced below \$51.50 during the term of the Basic Agreement.

(2) A Player living away from the Club's spring training headquarters shall receive the following daily meal and tip allowance (except that Players who make an overnight trip shall receive for the day following the night on the road the daily championship season meal and tip allowance in lieu of the daily allowance provided in this paragraph). No deduction shall be made for lunch or sandwiches served at the ballpark. In 2012, the base daily allowance shall be \$82.50, plus a cost of living adjustment rounded to the nearest \$.50. In 2013, 2014, 2015 and 2016, the daily allowance shall be the prior season's allowance plus the cost of living adjustment rounded to the nearest \$.50. Notwithstanding the foregoing, the daily allowance will not be reduced below \$82.50 during the term of the Basic Agreement.

Players living at the Club's spring training headquarters also shall receive the daily meal and tip allowance if the Club does not otherwise provide meals. No Player shall be required to sign meal checks or take his meals in lieu of receiving the daily meal and tip allowance.

(3) All players who are assigned to a Major League spring training camp shall receive the allowances set forth in Section C(1) and (2) above, except that any non-roster players assigned to a Major League spring training camp shall receive the allowances only if

they have Major League service at or above the prior season's cut-off for obtaining salary arbitration eligibility as a "Super Two." (See Article VI(E)(1).) All players who are not assigned to a Major League spring training camp, but who are in uniform for a Major League spring training game, shall receive the daily allowance set forth in Section C(2) above for each such game.

(4) A Player living away from the Club's spring training headquarters shall receive a room allowance of \$40.00 per day.

(5) Cost of living adjustments shall be computed as set forth in Section B(4) above.

(6) To the maximum extent possible, each Club shall provide spring training allowances pursuant to an accountable plan whereby to the maximum extent possible such allowances will be excluded from a Player's gross income. See Attachment 41.

D. Single Rooms on the Road

Each Player on a Club's Active List (including disabled Players who travel with the Club) shall have single rooms in the Club's hotels on all road trips during the Club's spring training, championship season and post-season. Nothing herein shall prohibit the Clubs from making or continuing agreements with individual Players that provide more favorable arrangements for such Players.

E. All-Star and Home Run Derby Participant Benefits

Each player elected or selected to the All-Star team or as a participant in the Home Run Derby and who attends the event shall receive the following: (a) six complimentary tickets to the All-Star Game and Home Run Derby for use by player guests (players may request fewer complimentary tickets and players may purchase additional tickets for guests in accordance with past practice); (b) first-class air transportation for himself and two guests (to the extent that such expenses are actually incurred); (c) first-class hotel accommodations for himself and two guests (up to two rooms, if necessary) for a maximum of three days; (d) the applicable in-season meal and tip allowance for three days; (e) a \$1,000 cash stipend; (f) a gift from the player's League; and (g) merchandise that is made available by Major League Baseball's

business partners. Players elected or selected to the All-Star team also shall receive a ring and, if they are attending their 5th, 10th or 15th All-Star Game as an All-Star, shall also receive a gift/memento and special recognition. (See Article XV(O)(7).)

F. In-Season Supplemental Allowances

(1) A Player shall be entitled to receive the “in-season supplemental allowance” provided by this Section F if:

- (a) his contract is assigned by a Minor League club to a Major League Club,
- (b) he had no Major League service (or his entire Major League service is only after the preceding August 31) and is on a Major League Club’s opening day roster, or
- (c) his contract is assigned by a Major League Club to another Major League Club during the championship season or after the sixteenth day prior to the start of the championship season.

(2) A Player entitled to receive the in-season supplemental allowance shall be treated by the assignee Club as if he were on the road for each of the first seven days of the assignment in the assignee Club’s home city, to include the assignee Club providing the Player with first-class hotel accommodations and the full daily meal and tip allowance described in paragraphs (3) and (4) of Section B for this period. If this entitlement arises under paragraph (1)(a) or (b) above, first-class hotel accommodations shall be provided at the Club’s expense or an allowance for housing expenses, not to exceed the first-class hotel accommodations rate, shall be provided to the Player in advance on a daily basis, as long as the Player incurs actual housing expenses.

(3) This in-season supplemental allowance shall be provided automatically to such a Player in advance (a) at the time of the assignment for assignments between Major League Clubs, and (b) on a daily basis if the entitlement arises under paragraph 1(a) or (b) above.

Clubs shall, by the fifth day after the end of each month of the championship season, provide the Players Association with a list of the Players who were paid the in-season supplemental allowance

during the preceding month and the amount of each allowance. The list should identify each Player added to the Major League roster during the preceding month (including, for the first list of the season, each Player on the Opening Day roster), the amount of the allowance paid to each, and the dates each was provided with first-class hotel accommodations or an allowance for housing expenses.

(4) This Section F shall apply to each such assignment made during a championship season. For a covered assignment from a Minor League club to a Major League Club made during the off-season, the Player shall be entitled to the benefits provided by this Section F only for the days he serves on a Major League Club's active roster before his contract is reassigned to a Minor League club.

G. Allowances for Disabled Players

A Player who performs prescribed rehabilitation work will receive the allowances set forth below depending on the location of the rehabilitation. The applicable allowances (if any) will be provided without deduction irrespective of whether the Club directs the Player to perform rehabilitation work at the site pursuant to its rights under the Basic Agreement, or the Player voluntarily agrees to perform rehabilitation work at a particular site with the consent of the Club.

(1) Rehabilitation in the Club's Home City During the Championship Season

A Player who performs prescribed rehabilitation work in the Club's home city during the championship season shall receive the full in-season meal and tip allowance under Article VII(B)(1) when the Club is on the road, but only if the Player is residing at a hotel or motel in the metropolitan area of the Club.

(2) Rehabilitation on the Road with the Club During the Championship Season

A Player who performs prescribed rehabilitation work while traveling with the Club on the road during the championship season shall receive first-class jet air and hotel accommodations in accordance with Article VII(A)(1), and the full in-season meal and tip allowance under Article VII(B)(1).

(3) Rehabilitation at the Club's Spring Training Facility During the Championship Season

(a) A Player who performs prescribed rehabilitation work at the Club's spring training facility during the championship season shall receive first-class jet air and hotel accommodations in accordance with Article VII(A)(1), the full in-season meal and tip allowance under Article VII(B)(1), and reimbursement for the actual cost of a mid-size rental car in accordance with Section G(7) below, regardless of whether his Club is at home or traveling on the road. In addition, any Player with at least five years of Major League service who performs prescribed rehabilitation work at the Club's spring training facility also shall be entitled to receive first-class jet air and hotel accommodations for his immediate family, and reimbursement for the cost of a family-size rental car in accordance with Section G(7) below, provided that the anticipated or actual duration of the rehabilitation work is at least 20 days.

(b) Notwithstanding paragraph (3)(a) above, Players on the Active List of the Arizona Diamondbacks, Miami Marlins or Tampa Bay Rays, within the meaning of Article XXI(A) of the Basic Agreement, who perform prescribed rehabilitation work at the Club's spring training facility during the championship season and whose in-season residence is less than or equal to 50 miles (measured by Google Maps driving distance) from the Club's spring training facility, will receive the in-season meal and tip allowance when their Club is on the road only if their in-season residence is a hotel or motel, and will not be entitled to: (a) hotel accommodations; (b) the in-season meal and tip allowance when the Club is at home; or (c) reimbursement for the cost of a rental car. Such Players whose in-season residence is more than 50 miles from the Club's spring training facility must be offered first-class hotel accommodations reasonably proximate to the facility. A Player who declines such accommodations will be treated for purposes of this paragraph 3 as if he lives less than or equal to 50 miles from the Club's spring training facility. A Player who accepts such hotel accommodations will be treated in accordance with paragraph 3(a) above.

(4) Rehabilitation During the Off-Season

A Player who performs prescribed rehabilitation work at the Player's off-season residence is not entitled to any allowances under the Basic Agreement. A Player who agrees to perform rehabilitation work at any other site shall receive first-class air and hotel accommodations in accordance with Article VII(A)(1), the full in-season meal and tip allowance under Article VII(B)(1), and reimbursement for the actual cost of a mid-size rental car in accordance with Section G(7) below. The Club's request to the player to perform rehabilitation work at the applicable site must be in writing (a copy of which will be provided to the Association).

(5) Rehabilitation During Spring Training

A Player who performs prescribed rehabilitation work at the Club's spring training facility shall receive the allowance to which he otherwise would be entitled to under Article VII(C) if he was not injured. A Player who performs prescribed rehabilitation work at the Club's home city during spring training will be provided with first-class jet air and hotel accommodations in accordance with Article VII(A)(1), the full in-season meal and tip allowance under Article VII(B)(1), and reimbursement for the actual cost of a mid-size rental car in accordance with Section G(7) below.

(6) Notwithstanding anything to the contrary in this Article VII(G), a Player will not receive hotel accommodations, the in-season meal and tip allowance, or reimbursement for the cost of a rental car if he is staying in a medical facility or at his personal residence while conducting rehabilitation. If a Player has a residence less than or equal to 50 miles from his rehabilitation site, but that residence is unavailable as a result of a rental or sublease commitment, the Player still shall be entitled to hotel accommodations and the in-season meal and tip allowance.

(7) When a Player is entitled to reimbursement for the actual cost of a rental car while performing rehabilitation work under this Section G, the Player shall, at his election, be reimbursed for the actual expenses he incurred for the car rental, or his actual local transportation expenses up to the cost he would have incurred had he rented a car. Notwithstanding the above, a Player will not be

entitled to this rental car allowance if the Club provides the Player with a car (either mid-size or family size, whichever is applicable) for his exclusive use during the period of the rehabilitation assignment. In order to receive reimbursement, the Player must provide the Club with appropriate documentation of his actual expenses.

(8) To the maximum extent possible, each Club shall provide the daily meal and tip allowance pursuant to an accountable plan whereby to the maximum extent possible the daily meal and tip allowance will be excluded from a Player's gross income. See Attachment 41.

ARTICLE VIII—Moving Allowances

A. If a Player's contract is assigned by a Major League Club to another Major League Club after the sixteenth day prior to the start of the championship season, but on or before the last day of the championship season, the assignee Club shall pay the Player, for all moving and other expenses resulting from such assignment, the sum of \$850 if the distance between the home ballparks of the assignor and assignee Clubs is 1,000 air miles or less; the sum of \$1,150 if the distance between the home ballparks of the assignor and assignee Clubs is greater than 1,000 but less than 2,000 air miles; and the sum of \$1,450 if the distance between the home ballparks of the assignor and assignee Clubs is equal to or greater than 2,000 air miles.

This allowance will be paid to the Player automatically at the time of the assignment.

This advance payment will be credited against the reimbursement for reasonable and actual moving expenses should the Player elect to claim such expenses in accordance with the provisions of Section C below.

B. If a Player is assigned to another Major League Club located within 50 miles of the assignor Club's home city, the Player shall not receive any moving allowance under Section A above, subject to the following exception. If a Player is assigned to another Major League Club and moves from a residence located further than 25 miles from the assignee Club's home ballpark to a residence located closer to, and within 50 miles of, such ballpark, the Player shall receive the moving allowance in accordance with Section A above.

C. A Player may elect, within two years after the date of the assignment of his contract, regardless of when his contract is assigned or whether the assignment is between Major League Clubs or a Major League Club and a Minor League club, to be reimbursed for (1) the reasonable and actual moving expenses of the Player and his immediate family resulting therefrom, including first-class jet air transportation for the Player and his immediate family; provided that, if the Player relocates more than one year from the date of the assignment, the Player must relocate in the assignee Club's home city and the Player must still be playing for the assignee Club at the time he incurs such expenses and (2) the reasonable and actual rental payments for living quarters in the city from which he is transferred (and/or spring training location, if applicable), for which he is legally obligated after the date of assignment and for which he is not otherwise reimbursed. Such rental payments shall not include any period beyond the end of a season or prior to February 1. The Club paying reimbursement for rent shall have use and/or the right to rent such living quarters for the period covered by the rental reimbursement.

In the event a Player is required to report to a Major League Club from a Minor League club in any year on or after September 1, the foregoing paragraph shall not apply.

Reimbursement shall be made by the assignee Club, except, should a Player's Contract be assigned from a Major League Club to a Minor League club, reimbursement shall be made by the assignor Major League Club.

ARTICLE IX—Termination Pay

A. Off-Season

A Player who is tendered a Uniform Player's Contract which is subsequently terminated by a Club during the period between the end of the championship season and the beginning of the next succeeding spring training under paragraph 7(b)(2) of the Uniform Player's Contract for failure to exhibit sufficient skill or competitive ability shall be entitled to receive termination pay from the Club in an amount equal to thirty (30) days' payment at the rate stipulated in paragraph 2 of (1) his Contract for the next succeeding championship season, or (2) if he has no contract for the next succeeding championship season, in an amount

equal to thirty (30) days' payment at the rate stipulated in paragraph 2 of the Contract tendered to him by his Club for the next succeeding championship season.

B. Spring Training

A Player whose Contract is terminated by a Club under paragraph 7(b)(2) of the Uniform Player's Contract for failure to exhibit sufficient skill or competitive ability shall be entitled to receive termination pay from the Club in an amount equal to thirty (30) days' payment at the rate stipulated in paragraph 2 of his Contract, if the termination occurs during spring training but on or before the 16th day prior to the start of the championship season. If the termination occurs during spring training, but subsequent to the 16th day prior to the start of the championship season, the Player's termination pay shall be in an amount equal to forty-five (45) days' payment at the rate stipulated in paragraph 2 of his Contract.

C. In-Season

A Player whose Contract is terminated by a Club during the championship season under paragraph 7(b)(2) of the Uniform Player's Contract for failure to exhibit sufficient skill or competitive ability shall be entitled to receive termination pay from the Club in an amount equal to the unpaid balance of the full salary stipulated in paragraph 2 of his Contract for that season.

D. Split Contracts

In the case of a Player who signs a Major League Contract which sets forth a separate rate of pay for Minor League service, the rate of pay to be utilized in calculating termination pay under the preceding Sections A, B and C shall be:

- (1) the Minor League rate, if the termination occurs in the off-season;
- (2) the Minor League rate, if the termination occurs during spring training, but on or before the 16th day prior to the start of the championship season;

(3) the Major League rate, if the termination occurs during spring training, but subsequent to the 16th day prior to the start of the championship season;

(4) the Minor League rate, if the termination occurs during the season and the Player is, at the time of termination, in the Minor Leagues; and the Major League rate, if the termination occurs during the season and the Player is, at the time of termination, in the Major Leagues. In the application of this subparagraph (4), a Player's Contract may not be assigned to the Minor Leagues for the purpose of reducing the Player's termination pay.

Notwithstanding the above, a Player whose Contract is not assignable to the Minor Leagues without his consent, or a Player selected by a Major League Club in the immediately preceding Rule 5 draft, shall be entitled to receive termination pay at the Major League rate unless terminated during the championship season at a time when his Contract is under assignment to the Minor Leagues.

E. Injury

If a Player's Contract is terminated by a Club by reason of the Player's failure to render his services due to a disability resulting directly from injury sustained in the course and within the scope of his employment under the Contract, and notice is received by the Club in accordance with Regulation 2 of the Uniform Player's Contract, the Player shall be entitled to receive from the Club the unpaid balance of the full salary for the year in which the injury was sustained, less all workers' compensation payments received by the Player as compensation for loss of income for the specific period for which the Club is compensating him in full.

F. Non-Duplication

The foregoing provisions of this Article IX shall be applied regardless of the number of times a Player may be released during a year, subject to the following limitations:

(1) The maximum amount of termination pay that a Player shall be entitled to receive for any year shall not exceed the amount by which:

(a) the salary stipulated in the Player's original Contract for such year exceeds

(b) the aggregate amount which the Player earns during that year from any Club or Clubs, including any amounts deferred to later years, calculated at present value, and bonuses.

(2) In the event a released Player refuses to accept a reasonable Major League Contract offered by a Club other than the Club which released him, such Player shall forfeit that portion of the termination pay that would not have been payable if such Contract had been accepted.

ARTICLE X—World Series, League Championship Series, Division Series, and Wild Card Game Players’ Pool

A. Creation of Pool

One Players’ pool shall be created from the World Series, the two League Championship Series, the four Division Series, and the two Wild Card games. Contributions shall be made into the pool as follows:

- (1) 60% of the total gate receipts from the first 4 World Series games;
- (2) 60% of the total gate receipts from the first 4 games of each League Championship Series;
- (3) 60% of the total gate receipts from the first 3 games (4 if the Division Series is expanded to the best of 7 games) of each Division Series; and
- (4) 50% of the total gate receipts from each Wild Card Game after deducting the traveling expenses of the visiting Clubs (up to a maximum of \$100,000 per Club) from the total gate.

B. Distribution of Pool

The Players’ pool shall be distributed to the Players, by Club, as follows:

World Series Winner.....	36%
World Series Loser.....	24%
League Championship Series Losers (2).....	24%
Division Series Losers (4).....	13%
Wild Card Losers (2).....	3%

Distribution of the Players' pool shall be made to the Players within 30 days after the completion of the World Series, unless for good cause the Parties agree to extend the period.

C. Division of Players' Pool

The division of the Players' pool shall be made by a vote of the Players, in a meeting chaired by the Player Representative, at which attendance shall be limited to Players, except that the field manager, prior to being excused from such meeting, shall be given first the opportunity to express his views as to the division of the pool. At the invitation of the Player Representative, the field manager may be present during the remainder of the meeting, or any part thereof. Club personnel are otherwise prohibited from attempting to influence or interfere with the Players' division of the pool, either before or after the vote is completed. The vote of the Players shall not be subject to alteration, except as may be required to conform to the Major League Rules.

On or before the final day of the championship season, the Player Representative shall provide the Club with the schedules reflecting the vote of the Players. The Player Representative shall execute the schedules and complete them in his own handwriting. The Club shall, within 48 hours of receipt from the Player Representatives, submit copies of such executed and handwritten schedules to the Commissioner's Office and the Association.

Two Club Certified Athletic Trainers and one Club strength and conditioning coach shall be eligible to receive a percentage share of the Players' pool. Except for the individuals rendered ineligible by Major League Rule 45(b)(4), all other non-uniformed personnel of a Club shall not be eligible to receive a percentage share of the Players' pool, but shall be eligible to receive cash awards of defined dollar value, provided that no cash award may exceed the value of a full share.

D. Guarantee of Pool

(1) To the extent, if any, that the Players' pool provides a total of less than \$4,608,000 for the World Series winner, the amount to be distributed to such winner shall be increased to \$4,608,000. To the extent, if any, that the Players' pool provides a total of less than

\$3,072,000 for the World Series loser, the amount to be distributed to such loser shall be increased to \$3,072,000.

(2) To the extent, if any, that the Players' pool provides a total of less than \$3,072,000 for both League Championship Series losers (\$1,536,000 each), the amount to be distributed to such losers shall be increased to \$3,072,000 (\$1,536,000 each).

(3) To the extent, if any, that the Players' pool provides a total of less than \$1,664,000 (\$416,000 each) for the Division Series losers, the total amount to be distributed to such Division Series losers shall be increased to \$1,664,000 (\$416,000 each).

(4) To the extent, if any, that the Players' pool provides a total of less than \$384,000 (\$192,000 each) for the Wild Card Losers, the total amount to be distributed to such Wild Card Losers shall be increased to \$384,000 (\$192,000 each).

(5) If, during the term of this Agreement, the Clubs raise World Series ticket prices, the guarantees set forth in the above paragraphs (1), (2), (3) and (4) shall be increased a pro rata amount, such amount established by averaging the percentage increase of a box seat ticket and the percentage increase of a reserved seat ticket and increasing each guarantee by such percentage.

ARTICLE XI—Grievance Procedure

For the purpose of providing an orderly and expeditious procedure for the handling and resolving of certain grievances and complaints, as hereinafter provided, the following shall apply as the exclusive remedy of the Parties.

A. Definitions

As used herein, the following terms shall have the meanings indicated:

(1) (a) "Grievance" shall mean a complaint which involves the existence or interpretation of, or compliance with, any agreement, or any provision of any agreement, between the Association and the Clubs or any of them, or between a Player and a Club, except that disputes relating to the following agreements between the Association and the Clubs shall not be subject to the Grievance Procedure set forth herein:

- (i) The Major League Baseball Players Benefit Plan;
- (ii) The Agreement Re Major League Baseball Players Benefit Plan;
- (iii) The Agreement regarding dues check-off.

Any procedures or remedies available to the Parties for the resolution of disputes arising under said agreements that were available as of their respective execution dates shall continue to be available and not be altered or abridged in any way as a result of this Basic Agreement between the Association and the Clubs.

(b) Notwithstanding the definition of "Grievance" set forth in subparagraph (a) above, "Grievance" shall not mean a complaint which involves action taken with respect to a Player or Players by the Commissioner involving the preservation of the integrity of, or the maintenance of public confidence in, the game of baseball. Within 30 days of the date of the action taken, such complaint shall be presented to the Commissioner who promptly shall conduct a hearing in accordance with the Rules of Procedure attached hereto as Appendix A. The Commissioner shall render a written decision as soon as practicable following the conclusion of such hearing. The Commissioner's decision shall constitute full, final and complete disposition of such complaint, and shall have the same effect as a Grievance decision of the Arbitration Panel. In the event a matter filed as a Grievance in accordance with the procedure hereinafter provided in Section B gives rise to issues involving the integrity of, or public confidence in, the game of baseball, the Commissioner may, at any stage of its processing, order that the matter be withdrawn from such procedure and thereafter be processed in accordance with the procedure provided above in this subparagraph (b). The order of the Commissioner withdrawing such matter shall constitute a final determination of the procedure to be followed for the exclusive and complete disposition of such matter, and such order shall have the same effect as a Grievance decision of the Arbitration Panel. (See also Attachment 1.)

The Association may reopen this Agreement, with reference solely to Section A(1)(b) and Section C of this Article, upon the giving of 10 days' written notice at any time, based upon

experience under the aforesaid Sections which, in its opinion, is unsatisfactory.

Any reopening notice served by the Association, in accordance with the foregoing, will be based only on actual experience with the operation of such Sections in the processing of grievances or complaints and such reopening cannot occur unless there is actual experience under such Sections.

Also, in the event that the incumbent Senior Vice President, Standards and On-Field Operations or the incumbent Executive Vice President, Administration leaves that Office, the Association may reopen this Agreement, with reference solely to Section C of this Article as it affects the role of the Senior Vice President, Standards and On-Field Operations or the Executive Vice President, Administration, upon the giving of 10 days' written notice.

(c) Notwithstanding the definition of "Grievance" set forth in subparagraph (a) above, "Grievance" shall not mean a complaint or dispute which involves the interpretation or application of, or compliance with the provisions of the first sentence of paragraph 3(c) of the Uniform Player's Contract. However, nothing herein shall alter or abridge the rights of the Parties, or any of them, to resort to a court of law for the resolution of such complaint or dispute.

Anything in the Grievance Procedure provided for in the Basic Agreement to the contrary notwithstanding, complaints or disputes as to any rights of the Players or the Clubs with respect to the sale or proceeds of sale of radio or television broadcasting rights in any baseball games by any kind or method of transmission, dissemination or reception shall not be subject to said Grievance Procedure. However, nothing herein or in the Grievance Procedure shall alter or abridge the rights of the Parties, or any of them, to resort to a court of law for the resolution of such complaint or dispute.

The reference herein to the above types of complaints or disputes shall not be deemed to define exclusively the types of complaints or disputes which are not subject to said Grievance Procedure.

(2) "League" shall mean The American League of Professional Baseball Clubs or The National League of Professional Baseball Clubs.

(3) "Commissioner" shall mean the person holding the office of Commissioner of Baseball as defined in the Major League Constitution.

(4) "Player" or "Players" shall mean a Player or Players on the active roster of a Major League Club or on a disabled, restricted, disqualified, ineligible, suspended or military list of a Major League Club. The term "Player" shall also include a former Player or Players who have a grievance or complaint arising by reason of their former status as a Player as defined in the preceding sentence.

(5) "Club" or "Clubs" shall mean a Club or Clubs with membership in a League.

(6) "Association" shall mean the Major League Baseball Players Association.

(7) "Labor Relations Department" or "LRD" shall mean the Major League Baseball Labor Relations Department established by the Clubs, or any department of the Commissioner's Office that assumes on behalf of the Commissioner the responsibilities formerly held by the Major League Baseball Player Relations Committee.

(8) "Grievant" shall mean a party who initiates or appeals a Grievance.

(9) "Arbitration Panel" shall mean the impartial arbitrator or, where either Party elects in advance of the opening of the hearing in a matter, a tripartite panel so empowered and composed of the impartial arbitrator and two party arbitrators, one appointed by the Association, the other appointed by the LRD. The impartial arbitrator, who shall in all instances be designated as the Panel Chair, shall be appointed by agreement of the Association and the LRD. In the event the Association and the LRD are unable to agree upon the appointment of the impartial arbitrator, they jointly shall request that the American Arbitration Association furnish them a list of prominent, professional arbitrators. Upon receipt of said list, they shall alternate in striking names from the list until only one remains.

The arbitrator whose name remains shall be deemed appointed as the impartial arbitrator.

At any time during the term of this Agreement either the Association or the LRD may terminate the appointment of the impartial arbitrator by serving written notice upon him and the other Party; provided that no such termination shall in any way impair the authority of the impartial arbitrator to render awards with respect to matters fully submitted to him. Within 30 days of any such termination, the Association and LRD shall either agree upon a successor impartial arbitrator or select a successor from an American Arbitration Association list, as set forth above.

Decisions of the Arbitration Panel shall be made by the impartial arbitrator or, where the panel is tripartite, by majority vote.

(10) "Alternate Panel Chairs" shall mean the two impartial arbitrators appointed for cases that cannot be scheduled for hearing by the Panel Chair within the time limit set forth in Paragraph B below. Selection and termination of the Alternate Panel Chairs shall be by the same procedures utilized for selection and termination of the Panel Chair.

B. Procedure

Step 1. Any Player who believes that he has a justifiable Grievance shall first discuss the matter with a representative of his Club designated to handle such matters, in an attempt to settle it. If the matter is not resolved as a result of such discussions, a written notice of the Grievance shall be presented to the Club's designated representative; provided, however, that for a Grievance to be considered beyond Step 1, such written notice shall be presented within (a) 45 days from the date of the occurrence upon which the Grievance is based, or (b) 45 days from the date on which the facts of the matter became known or reasonably should have become known to the Player, whichever is later. Within 10 days following receipt of such written notice (within 2 days if disciplinary suspension or a grievance involving Player safety and health), the Club's designated representative shall advise the Player in writing of his decision and shall furnish a copy to the Association. If the decision of the Club is not appealed further within 15 days of its receipt, the Grievance shall be considered settled on the basis of that decision and shall not be eligible for further appeal.

Step 2. A Grievance, to be considered in Step 2, shall be appealed in writing by the Grievant or by the Association to a designated representative of the LRD within 15 days following receipt of the Club's written decision. Grievances which involve (a) more than one Club, or (b) a Player who is not under contract to a Club that is party to the Grievance, may be filed initially in Step 2, provided that written notice of the Grievance shall be presented to the designated representative of the LRD within (a) 30 days from the date of the occurrence upon which the Grievance is based, or (b) 30 days from the date on which the facts of the matter became known or reasonably should have become known to the Player, whichever is later. A Grievance appealed to or filed at Step 2 shall be discussed within 35 days thereafter (within 2 days if disciplinary suspension or a grievance involving Player safety and health) between representatives of the LRD and representatives of the Association in an attempt to settle it. If both Parties agree, the Player and Club principals will also participate in the Step 2 meeting. The Parties will attempt to exchange documents in advance of the Step 2 meeting but the meeting shall occur within 35 days even if documents have not been exchanged by that date. Within 10 days following such meeting (within 2 days if disciplinary suspension or a grievance involving Player safety and health), the designated representative of the LRD shall advise the Grievant in writing of his decision and shall furnish a copy to the Association. If the decision of the LRD representative is not appealed further within 15 days of its receipt, the Grievance shall be considered settled on the basis of that decision and shall not be eligible for further appeal.

Arbitration. Within 15 days following receipt of the Step 2 decision, the Grievant or the Association may appeal the Grievance in writing to the Panel Chair for impartial arbitration. The Panel Chair shall set a time, date and place for hearing the appeal. The Panel Chair shall attempt to open the hearing within one-year from the filing of the Grievance (within 5 days of receipt of the notice of appeal if a disciplinary suspension or a grievance involving Player safety and health). If the Panel Chair cannot do so given previously scheduled hearings, the Panel Chair shall direct that the Grievance be assigned to an Alternate Panel Chair, unless one of the Parties objects. In response to an objection, the Panel Chair shall select Grievance(s) to be assigned to particular Alternate Panel Chair(s) so that hearings for all Grievances will open within one year of filing. A case heard by an Alternate Panel

Chair shall be conducted by a tripartite panel if either Party elects in advance of the opening of the hearing.

All hearings shall be conducted in accordance with the Rules of Procedure attached hereto as Appendix A. The Arbitration Panel shall render a written decision as soon as practicable following the conclusion of such hearing (within 5 days if disciplinary suspension or a grievance involving Player safety and health), and may affirm, modify or reverse the decision from which the appeal is taken. The decision of the Arbitration Panel shall constitute full, final and complete disposition of the Grievance appealed to it. A decision of an Alternate Panel Chair shall not constitute precedent of the Arbitration Panel, but shall have the same precedential effect as an arbitration decision rendered outside of this collective bargaining relationship.

With regard to the arbitration of Grievances, the Arbitration Panel shall have jurisdiction and authority only to determine the existence of or compliance with, or to interpret or apply agreements or provisions of agreements between the Association and the Clubs or any of them, or between individual Players and Clubs. The Arbitration Panel shall not have jurisdiction or authority to add to, detract from, or alter in any way the provisions of such agreements. All costs of arbitration, including the fees and expenses of the impartial arbitrator, shall be borne equally by the parties, provided that each of the parties shall bear the cost of its own party arbitrator, witnesses, counsel and the like.

C. Special Procedure with Regard to Certain Disciplinary Action

Except as set forth in Article XII(E)(3)(c), complaints involving a fine or suspension imposed upon a Player by the Senior Vice President, Standards and On-Field Operations or the Commissioner for conduct on the playing field or in the ballpark shall be subject exclusively to this Section C as follows:

(1) (a) The Office of the Commissioner will provide the Players Association with any applicable Umpire's Incident Report contemporaneously with the Notice of Discipline. Any Player who believes that he has a justifiable complaint regarding such discipline may, within 7 days of his receipt of written notification of the discipline, appeal in writing to the Executive Vice President, Administration, if

the discipline was imposed by the Senior Vice President, Standards and On-Field Operations, or to the Commissioner, if the discipline was imposed by him, for a hearing.

(b) Upon receipt of the notice of appeal, the Executive Vice President, Administration or the Commissioner, as the case may be, shall designate a time and place for hearing the appeal, which hearing shall be commenced within 14 days from the date of receipt of the appeal. Unless the appeal involves an incident in which three or more players were suspended, all appeal hearings shall be held by videoconference, except that the Player may elect an in-person hearing in the following circumstances: (i) the Player is available for a hearing in New York during the 14-day period; or (ii) the Player is suspended in excess of five games (for a starting pitcher) or in excess of three games (for a position player or relief pitcher), in which case an in-person hearing shall be scheduled at a mutually agreeable location within the 14-day period.

(c) Hearings shall be conducted in accordance with the Rules of Procedure attached hereto as Appendix A. The Executive Vice President, Administration or the Commissioner, as the case may be, shall render a written decision as soon as practicable following the conclusion of such hearing, and may affirm, modify, or revoke the disciplinary action originally imposed. The decision by the Executive Vice President, Administration or the Commissioner, as the case may be, shall constitute full, final and complete disposition of the complaint and shall have the same effect as a Grievance decision of the Arbitration Panel.

(2) Notwithstanding the provisions of paragraph (1) above, if any such discipline imposed upon a Player by the Senior Vice President, Standards and On-Field Operations involves a fine in an amount which exceeds \$10,000 or a suspension exceeding 10 games, any complaint relating thereto shall be appealable from the decision of the Executive Vice President, Administration to the Commissioner for determination in the same manner and with the same effect as provided in paragraph 1(b) of Section A hereof.

D. Grievances Initiated orAppealed by a Club

Step 1. Any Club which believes it has a justifiable Grievance shall present a written notice of the Grievance to the Player with a copy to the Association; provided, however, that for a Grievance to be considered beyond Step 1, such written notice shall be presented within (a) 45 days from the date of the occurrence upon which the Grievance is based, or (b) 45 days from the date on which the facts of the matter became known or reasonably should have become known to the Club, whichever is later. Within 10 days following receipt of such written notice, the Player shall advise the Club in writing of his decision and shall furnish a copy to the LRD. If the decision of the Player is not appealed further within 15 days of its receipt, the Grievance shall be considered settled on the basis of that decision and shall not be eligible for further appeal.

Step 2. A Grievance, to be considered in Step 2, shall be appealed in writing by the Club or the LRD to the Association within 15 days following receipt of the Player's written decision. Grievances which involve (a) more than one Club, (b) more than one Player, or (c) a Player who is not under contract to a Club which is party to the Grievance, may be filed initially in Step 2, provided that written notice of the Grievance shall be presented to the Association within (a) 30 days from the date of the occurrence upon which the Grievance is based, or (b) 30 days from the date on which the facts of the matter became known or reasonably should have become known to the Club, whichever is later. A Grievance appealed to or filed at Step 2 shall be discussed within 35 days thereafter between representatives of the LRD and representatives of the Association in an attempt to settle it. If both Parties agree, the Player and Club principals will also participate in the Step 2 meeting. The Parties will attempt to exchange documents in advance of the Step 2 meeting, but the meeting shall occur within 35 days even if documents have not been exchanged by that date. Within 10 days following such meeting, the Association shall advise the LRD in writing of its decision. If the decision of the Association is not appealed further within 15 days of its receipt, the Grievance shall be considered settled on the basis of that decision and shall not be eligible for further appeal.

Arbitration. Within 15 days following receipt of the Step 2 decision of the Association, the LRD may appeal the Grievance in writing to the

Panel Chair for impartial arbitration. The procedures to be followed in arbitration and the jurisdiction of the Arbitration Panel shall be as set forth in Section B above.

Nothing contained in this Section D shall be deemed to limit or impair the right of any Club to impose discipline upon a Player or Players or to take any other action not inconsistent with the Uniform Player's Contract or any agreement with the Association to which the Club is a Party. Any complaint or dispute which may be a subject for discipline shall not constitute a proper basis for a Club Grievance under this Section D.

E. Grievances Initiated orAppealed by the Association

(1) The Association may on its own motion appeal Grievances or complaints on behalf of a Player or Players as provided in this Grievance Procedure, except that the Association will not appeal a Grievance or complaint involving player discipline without the approval of the Player or Players concerned.

(2) The Association may on its own motion initiate Grievances or complaints on behalf of a Player or Players on all matters not involving player discipline. Nothing herein shall interfere with the right of a Player who initiates a disciplinary Grievance or complaint to be represented by the Association at any Step of the Grievance Procedure.

F. Miscellaneous

(1) Each of the time limits set forth herein may be extended by mutual agreement of the parties involved.

(2) If any Grievance is not processed in accordance with the prescribed time limits in any Step, unless an extension of time has been mutually agreed upon, either party, after notifying the other party of its intent in writing, may appeal to the next Step.

(3) Any decision which is appealable under this Grievance Procedure but which is not appealed within the time allowed or within any time mutually agreed upon by the parties shall constitute a full, final and complete disposition of the Grievance involved.

(4) In any discussion or hearing provided for in the Grievance Procedure, a Player may be accompanied by a representative of the

Association who may participate in such discussion or hearing and represent the Player. In any such discussion or hearing, any other party may be accompanied by a representative who may participate in such discussion or hearing and represent such party.

G. Survival Following Termination of Basic Agreement

Unless eliminated or modified following an impasse in bargaining, Article XI shall remain in full force and effect after termination of this Agreement; provided, however, that disputes arising after the termination of this Agreement related to the legality or validity of unilateral changes of terms and conditions of employment following an impasse in bargaining and any other self-help conduct of the Parties, including but not limited to, unilateral changes in nonmandatory subjects of bargaining, shall not be subject to Article XI.

ARTICLE XII—Discipline

A. Just Cause

The Parties recognize that a Player may be subjected to disciplinary action for just cause by his Club, the Senior Vice President, Standards and On-Field Operations or the Commissioner. Therefore, in Grievances regarding discipline, the issue to be resolved shall be whether there has been just cause for the penalty imposed.

If discipline imposed upon a Player is determined to be improper by reason of a final decision under this Grievance Procedure, the Player shall promptly be made whole.

The term “make whole” means:

- (1) if a fine is found to have been imposed improperly, the fine will be promptly repaid;
- (2) any salary loss as a result of an improper suspension will be promptly paid;
- (3) in the application of items (1) and (2) above, interest will also be paid at the rate per annum set forth in Article XV(L) below; and
- (4) crediting the Player with performance statistics for the purpose of determining whether a performance level contained in any

special covenant to his Uniform Player's Contract has been met. Such credit shall be determined by multiplying the Player's relevant average per game statistic while he was on a Club's Active List for the current championship season by the number of games for which the Arbitration Panel determines the Player was improperly suspended and adding that product to the Player's year-end total. Such credit shall not be awarded to a Player for such time that his suspension covers time the Player is on the Disabled List.

B. Conduct Detrimental or Prejudicial to Baseball

Players may be disciplined for just cause for conduct that is materially detrimental or materially prejudicial to the best interests of Baseball including, but not limited to, engaging in conduct in violation of federal, state or local law. The Commissioner and a Club shall not discipline a Player for the same act or conduct under this provision. In cases of this type, a Club may only discipline a Player, or take other adverse action against him, when the Commissioner defers the disciplinary decision to the Club.

C. Notice

Written notice of discipline of a Player (a fine, or suspension, or both) imposed by the Commissioner of Baseball, the Senior Vice President, Standards and On-Field Operations, or a Club (except for actions arising from participation in the Winter Leagues) and the reason therefore shall in every case be given to the Player and the Association.

With respect to discipline imposed upon a Player by the Senior Vice President, Standards and On-Field Operations or the Commissioner, the Commissioner shall immediately give to the Association notice by mail of fines, and notice by facsimile of suspensions and of appeals for hearings.

D. Discovery

A Player who is disciplined shall have the right to discover, in timely fashion, all documents and evidence adduced during any investigation of the charges involved.

E. Compliance

(1) Nothing contained in the Grievance Procedure shall excuse a Player from prompt compliance with any discipline imposed upon him.

(2) Club Fines. A fine imposed by a Club pursuant to Regulation 5 of the Uniform Player's Contract in excess of \$5,000 may not be deducted from the Player's salary until such fine is finally upheld in the Grievance Procedure or the time in which to file a Grievance has expired.

(3) Discipline Imposed by the Senior Vice President, Standards and On-Field Operations or Commissioner.

(a) A fine imposed by the Senior Vice President, Standards and On-Field Operations or the Commissioner in excess of \$5,000 may not be deducted from the Player's salary until such fine is finally upheld in the Grievance Procedure or the time in which to file a Grievance has expired.

(b) The Player's employing Club is authorized, at the request of the Senior Vice President, Standards and On-Field Operations, or the Commissioner in the case of a fine imposed by the Commissioner, to deduct the amount of the fine from the Player's salary and transmit such sum to the Commissioner once the fine may be deducted from the Player's salary.

(c) The Senior Vice President, Standards and On-Field Operations may choose to suspend a Player without pay for: (i) intentionally throwing a baseball, equipment or other object at a non-uniformed personnel with the intent of causing bodily harm; (ii) physically assaulting a fan or member of the media; (iii) physically assaulting an umpire in a manner that endangers his health or safety; and (iv) making public statements that question the integrity of the game, the umpires, the Commissioner and/or other Commissioner's Office personnel. Suspensions without pay for such conduct shall be appealable through the procedures of Article XI(B) in an expedited manner, and the suspensions shall be stayed pending the completion of those procedures.

F. Investigations

Except where circumstances require expeditious handling, the Player and the Association shall receive reasonable advance notice of any investigatory interview with a Player. Where circumstances requiring expeditious handling are present, the Player and the Association shall receive as much advance notice as is possible, but in no event shall the Association receive less notice than the Player. All parties recognize the right of the Player to be represented at such interview by the Association and counsel of his choice.

G. Major League Rules 15 and 16

The following time limit provisions set forth in Major League Rules 15 and 16 shall be inapplicable in disciplinary matters:

- (1) the prohibition in Rule 16(a) against reinstatement of a Player on the Restricted, Disqualified and Ineligible Lists in the period August 1 to October 31, inclusive;
- (2) the prohibition in Rules 15(c)(1) and 16(c) against application for reinstatement from the Ineligible List until after the lapse of one year from the date of placement on such list; and
- (3) the requirement of Rule 16(a) that the Player's Club shall be entitled to 30 days' written notice prior to his reinstatement from the Disqualified or Ineligible Lists, if application for such reinstatement is filed after February 1 of any year.

ARTICLE XIII—Safety and Health

A. Safety and Health Advisory Committee

(1) Safety and Health Advisory Committee

The Parties shall establish and maintain a bipartisan Safety and Health Advisory Committee which shall be comprised of an equal number of members representing the Association and representing the Clubs. The purpose of the Committee shall be

- (a) to deal with emergency safety and health problems as they arise, and attempt to find solutions, and

(b) to engage in review of, planning for and maintenance of safe and healthful working conditions for Players.

(2) Committee Meetings

A meeting of the Safety and Health Advisory Committee may be called by any member thereof who believes that an emergency safety and health problem exists and requires immediate attention, and a meeting shall be held as soon as practicable thereafter. In addition, the Committee shall hold at least one regular meeting annually for purposes of review and planning.

(3) Power and Authority of Committee

The Safety and Health Advisory Committee shall make recommendations to the Parties as to the solution of problems and the establishment of policies. The Committee shall use its best efforts to persuade the Parties to adopt the Committee's recommendations. The Committee, however, shall only have advisory authority and it shall not have the power to impose its views or recommendations upon the Parties.

(4) Other Rights and Remedies

The Players Association may file and pursue through arbitration a grievance concerning safety and health. The Parties will attempt to avoid grievances on this subject by making every reasonable effort to utilize the Safety and Health Advisory Committee. However, it is not a necessary prerequisite to utilization of the Grievance Procedure that the Safety and Health Advisory Committee procedures be instituted or exhausted. Nothing herein shall diminish or interfere with any other rights and remedies the Players or the Association may pursue under the Grievance Procedure of this Agreement or under the procedures established pursuant to the Occupational Safety and Health Act.

B. Safety Complaints—Responsibility of the Commissioner

Notwithstanding the provisions of Section A, when a safety complaint is made by the Association to the Office of the Commissioner, the Commissioner shall promptly designate a representative to investigate

and to attempt to resolve the problem. The Commissioner shall promptly notify the Association of the results of the investigation and of all attempts to resolve the problem.

C. Disabled List

Application by a Club to the Commissioner to place a Player on the Disabled List shall be accompanied by a Standard Form of Diagnosis (see Attachment 5), a copy of which shall be provided to the Player and the Association. The Standard Form of Diagnosis shall be completed by the Club physician and shall include, as a separate item, an estimated time period for recovery. The Club physician will also complete and submit the Standard Form of Diagnosis for recertification of a Player on the Disabled List at the date when he first becomes eligible for reinstatement to active status and then every fifteen days following the date upon which the Player first became eligible for reinstatement (except for Players placed on the 60-day Disabled List). In addition to the Standard Form of Diagnosis, the Office of the Commissioner may request that a Club provide additional information in support of a Disabled List placement before the application is approved by the Commissioner. The Club shall provide a copy of such additional information to the Association.

A Club requesting the placement of a Player on the Disabled List for a concussion shall submit, in lieu of a Standard Form of Diagnosis, a Concussion-Specific Diagnostic Form (see Attachment 36), a copy of which shall be provided to the Player and the Association. The Concussion-Specific Diagnostic Form shall be completed by the Club Physician and Certified Athletic Trainer and shall include the specified supporting documentation. The Club physician also must complete and submit the Concussion-Specific Diagnostic Form for recertification of a Player on the Disabled List for a concussion at the date when he first becomes eligible for reinstatement to active status and then every fifteen days following the date upon which the Player first became eligible for reinstatement (except for Players placed on the 60-day Disabled List for a concussion). Prior to the time that a Player on the Disabled List for a concussion is permitted to play in any game, the Club must submit a Return to Play form and supporting information to the Medical Director of the Office of the Commissioner (see Attachment 36), a copy of which shall be provided to the Player and the Association. The

Player's return must be approved prior to the time that he will be removed from the Disabled List. (See Attachment 36.)

D. Second Medical Opinion

Within 20 days following the execution of this Agreement, the Clubs shall provide an updated, accepted listing of medical specialists, by specialty and by geographic region, to whom Players may upon their request go for diagnosis and a second medical evaluation of an employment related illness or injury being treated by the Club physician. At least two board-certified physicians shall be designated for each specialty in each of the geographic regions, and all the physicians on the list shall be board-certified in an appropriate medical specialty. The Commissioner's Medical Advisory Committee, in consultation with a medical professional designated by the Association, shall review and update the list of specialists on an annual basis. The Association shall have 30 days from the date of receiving an updated list within which to recommend additions to or deletions from the list.

Prior to undergoing a "second evaluation," a Player shall inform the Club in writing of his decision to seek a second medical opinion, and the name of the physician who will be performing the diagnosis and medical evaluation. A Player may seek a "second evaluation" from a medical specialist on the accepted listing who is located outside of the geographic region within which the Player's Club is located, provided that the Player is not absent from the Club for an unreasonable period of time.

If a Player uses the services of a medical specialist who is on the accepted listing, the Club shall pay the cost of the "second evaluation," including transportation and hotel costs.

Expenses for "second evaluations" by medical specialists who are not on the accepted listing shall be authorized and paid only by prior written agreement between the Player and the Club.

(See Attachment 35.)

E. Certified Athletic Trainers

Each Club shall employ two Certified Athletic Trainers on a full-time basis. Both trainers will travel with the Club on the road; provided, that one trainer may remain in the Club's home city if necessary for

the Club to fulfill its obligations to disabled players who do not travel with the Club.

Individuals newly appointed as trainers shall be certified by the National Athletic Trainers Association (NATA) or the Canadian Athletic Therapists Association (CATA), or shall be physical therapists licensed by an appropriate state authority.

F. Locker Room Equipment

Each visiting locker room shall be equipped with the following equipment, all in good working order, and of a size and capacity adequate for the treatment of professional baseball players: whirlpool, hydrocculator, ultrasound machine and examining table.

G. Disclosure of Medical or Health Information

(1) Each year upon reporting to spring training, or upon signing a Major League Uniform Player's Contract ("UPC") for that season, whichever is earlier, each Player must, consistent with Paragraph 6(b)(1) of the UPC, execute the Authorization for the Use and/or Disclosure of Major League Player Health Information ("Authorization") attached as Attachment 18 hereto.

(2) *Notice of and Authorization for Medical Care*

(a) Work-Related

A Player shall provide his Club with reasonable advance notice of any treatment conducted by a health care provider in connection with a disability directly resulting from an injury sustained in the course and within the scope of his employment (including an elective procedure) (collectively referred to as a "Work-Related Injury"), unless such health care provider is affiliated with the Club. Any treatment a Player receives for a Work-Related Injury by a health care provider who is not affiliated with the Club must be authorized by the Club in advance of the treatment in accordance with Regulation 2 of the UPC. If such treatment involves a surgery or invasive procedure, such authorization must be in writing.

A Player is not required to provide his Club with notice of a consultation or evaluation of a Work-Related Injury by a health care

provider who is not affiliated with the Club provided that the Player: (i) receives no treatment in connection with the consultation or evaluation; (ii) does not submit to an invasive test or procedure; and (iii) is not invoking his right to a Second Medical Opinion under Section D of this Article. In addition, if such an evaluation or consultation was not authorized by the Club, the Club will not be responsible under Regulation 2 of the UPC for any expenses incurred by the Player in connection with it.

(b) Non-Work-Related

A Player is not required to provide a Club with reasonable advance notice of a treatment for a disability, injury or condition (including an elective procedure) that is not work-related (collectively referred to as a "Non-Work-Related Injury") unless the nature of the Non-Work-Related Injury may affect the Player's ability to provide services as required by the UPC, in which case the Player must provide the Club with advance notice of any treatment. In addition, a Player will be excused from any notice requirement if the treatment is in response to a medical emergency, and there is insufficient time to contact the Club.

A Club will not be responsible under Regulation 2 of the UPC for any expenses incurred by the Player for the treatment of a Non-Work-Related Injury.

(3) Any Club physician or certified athletic trainer treating a Player pursuant to Regulation 2 of his UPC and any other physician or medical professional treating or consulting with a Player pursuant to Regulation 2 of the UPC or Article XIII(D) is authorized to disclose all relevant medical or health information concerning the Player to (a) the Club by which the Player is employed, including the Club officials set out in the Authorization, (b) any entity from which such Club seeks to procure, or has procured, an insurance policy covering such Player's life or any disability, injury, illness, or condition, such Player may suffer or sustain, (c) subject to Paragraph 6(b)(2) of the UPC, physicians and officials of a Club contemplating the assignment of the Player's UPC, and (d) subject to the terms of paragraph (5) below, the Office of the Commissioner.

(4) For public relations purposes, a Club may disclose the following general information about employment-related injuries: (a)

the nature of a Player's injury, (b) the prognosis and the anticipated length of recovery from the injury, and (c) the treatment and surgical procedures undertaken or anticipated in regard to the injury. For any other medical condition that prevents a Player from rendering services to his Club, a Club may disclose only the fact that a medical condition is preventing the Player from rendering services to the Club and the anticipated length of the Player's absence from the Club. A Club physician or certified athletic trainer treating a Player pursuant to Regulation 2 of his UPC and any other physician or medical professional treating or consulting with a Player pursuant to Regulation 2 or Article XIII(D) shall be prohibited from making any public disclosure of a Player's medical information absent a separate, specific written authorization from the Player authorizing such public disclosure.

(5) A Club (and any physician, certified athletic trainer or other medical professional treating, or consulting with, a Player pursuant to Regulation 2 of his UPC or Article XIII(D)) shall provide medical or health information covered by the Authorization to the Office of the Commissioner and to the Association as required by Article XIII(C), Attachment 5 and Major League Rule 2(g) and, upon written request, when a Player's medical and/or health condition is at issue in a grievance or a potential grievance. The medical or health information also shall be provided to the Office of the Commissioner (with a copy to the Association) when such records are relevant to an investigation of whether the Player violated the Basic Agreement, his UPC or Major League Baseball's Joint Drug Prevention and Treatment Program, provided that the Office of the Commissioner first provides the Association with notice of its intent to request such records and an opportunity to object. In the event the Association objects to such a request by the Office of the Commissioner (which objection must be made within three business days after notice is provided), any dispute arising from such objection shall be resolved by the Arbitration Panel within seven days of the Association's objection. In any such arbitration, the Commissioner's Office shall be required to show that its request is reasonably related to the matter under investigation.

(6) If a Player on a visiting Club receives medical treatment from the home Club's physician, certified athletic trainer or other

medical professional for a work-related injury, a copy of any written medical evaluation prepared by the home Club's medical professional shall be provided to the Player and his Club's physician.

(7) The following procedures shall govern the dissemination of medical records of a free agent Player:

(a) At the conclusion of the Player's season (including any applicable post-season), a Player who will become a free agent pursuant to Article XX(B) of the Basic Agreement may request that his former Club provide him with a disk containing a copy of his medical records. A Club shall provide such records within 10 days of such request. When a free agent provides a Club with medical records, he must represent on a form provided by the Commissioner's Office that he is providing a complete copy of the records that were provided to him by the Club.

(b) Any Player who is a free agent by operation of the Basic Agreement will receive from the Office of the Commissioner, upon request of the Association, log-in instructions that will permit him to access his medical records electronically. The Office of the Commissioner will send the log-in instructions within 10 days of being provided written notice by the Association of the names and addresses of the Players who desire such instructions. A Player may provide to prospective Clubs (or to other individuals) electronic access to his medical records, and such access shall remain active for 180 days.

(c) The procedures set forth in (a) and (b) above are the exclusive procedures for the dissemination of medical records by the Office of the Commissioner and Clubs to free agent Players.

H. Location of Rehabilitation Facilities

(1) Rehabilitation During the Championship Season

A Club may direct a Player to perform prescribed rehabilitation work for an injury during the championship season at a rehabilitation facility at one of the following three sites: (a) in the Club's home city; (b) on the road with the Club; or (c) at the Club's spring training facility; provided, however, that a Club may not direct that

a Player perform prescribed rehabilitation work for an injury at its spring training facility for a period of more than 20 days without the Player's written consent.

(2) Rehabilitation During the Off-Season

A Club may only direct a Player to perform prescribed rehabilitation work during the off-season at a rehabilitation facility in the metropolitan area of the Player's off-season residence.

(3) Rehabilitation During Spring Training

A Club may only direct a Player to perform prescribed rehabilitation work during spring training at a rehabilitation facility at the Club's spring training facility or in the Club's home city.

(4) Regardless of the site of the rehabilitation facility, each Club shall provide first-class rehabilitation facilities and care to all disabled Players.

I. Medical History Questionnaire

Each Club shall utilize the Medical History Questionnaire developed by the Club physicians in connection with the Club's initial physical examination of the Player. The current Medical History Questionnaire is attached hereto as Attachment 6.

ARTICLE XIV—Spring Training Conditions

A. Reporting

No Player shall be required to report for spring training workouts more than thirty-three (33) days prior to the start of the championship season, provided that:

- (1) injured Players, pitchers and catchers may be invited to attend spring training workouts no earlier than forty-five (45) days prior to the start of the championship season; and
- (2) all other Players may be invited to attend spring training workouts no earlier than forty (40) days prior to the start of the championship season.

B. Living Away from Club Headquarters

Any Major League Player may live away from the Club's spring training headquarters, unless the Club can demonstrate good cause for not permitting him to do so.

C. Meetings with Players

The Association shall have the right to hold one team meeting during the Players' normal working hours, with the Players on each Club in the Club's spring training clubhouse, provided the Association gives the Club involved as much advance notice as possible, but in no event less than 10 days; such meeting to be approximately 60 minutes but not more than 90 minutes in duration starting with the normal reporting time of Players on each Club but not earlier than 8:00 A.M. No "B" games shall be scheduled to conflict with such meetings.

ARTICLE XV—Miscellaneous

A. No Discrimination

The Clubs will not interfere with, restrain or coerce Players because of membership in or lawful activity on behalf of the Association, nor will they discriminate because of Association activity in regard to hire, tenure or employment or any term or condition of employment.

The provisions of this Agreement shall be applied to all Players covered by this Agreement without regard to race, color, religion, national origin, sexual orientation, or any other classification protected under Federal Law.

B. Parking Facilities

Each Club shall provide or arrange for appropriate automobile parking spaces for Players and, to the extent practicable, van and small truck parking spaces for Players, at its home ballpark on game or practice days, without cost to the Players.

C. Winter League Play

No Major League Player shall be required to play in the Winter Leagues, provided that this provision shall not bar a Club from recommending the advisability of such activity to any Player.

D. College Scholarship Plan

A Major League Player for whom there is in effect on or after January 1, 1973 a valid and unexpired scholarship under the College Scholarship Plan may commence or resume his studies under the Plan at any time within two years after his last day of Major League service. If his college studies have not commenced under the Plan within two years after his last day of Major League service, his scholarship shall terminate.

Otherwise, his scholarship shall continue unless he shall fail to attend college for more than two consecutive years after his last day of Major League service, without proper reason as set forth in Major League Rule 3(c)(5)(D). Participation by a Player in Winter League or Instructional League play shall constitute proper reason for tolling the time limitation in the preceding sentence.

E. Active Player Limit

(1) Except as set forth in Major League Rule 2(c), the active Player limit for the period beginning with opening day of the championship season and ending at Midnight, August 31, shall be 25, provided that the minimum number of active Players maintained by each Club throughout the championship season shall be 24. However, if a reduction below 24 occurs as a result of unforeseen circumstances, the Club shall, within 48 hours (plus time necessary for the Player to report), bring its active roster back to a minimum of 24 Players. The utilization or non-utilization of rights under this paragraph (1) is an individual matter to be determined solely by each Club for its own benefit. Clubs shall not act in concert with other Clubs.

(2) The active Player limit set forth in Major League Rule 2(c) for the period beginning with September 1 and ending with the close of the championship season shall be 40 for the duration of this Agreement.

(3) Prohibition on Taxi Squads

(a) A Player who is directed to report to the Major League Club during the championship season in connection with his potential selection or recall to the Major League Active Roster must report to the Club upon his arrival in the Club's city (or the

city of the Club's opponent); provided, however, that a Player may be directed by a Club to report on the day following his day of arrival if: (i) the Player arrives in the Club's city (or the city of the Club's opponent) after the time by which the Club's Players are required to arrive for a workout or pre-game activities; or (ii) there is no game or workout scheduled for the day the Player arrives. For purposes of this subparagraph, all Players will be deemed to have reported to the Club no later than the day after the Player arrives in the Club's city (or the city of the Club's opponent).

(b) A Player who reports to the Major League Club during the championship season in connection with his potential selection or recall to the Major League Active Roster cannot remain with the Major League Club unless he is added to the Major League Active Roster by the earlier of 8:00 P.M. Eastern Time, or three hours prior to the Club's scheduled game, on the day after the Player reports. If a Player directed to report is not added to the Major League Active Roster within the time limit set forth in this paragraph, the Player may not remain with the Major League Club (including remaining in the Major League Club's city at the request of the Club). When a Club directs a Player to report to the Major Leagues and then returns the Player to the Minor League club without selecting or adding him to the Active Roster, the return must be justified based on a change in the circumstances that led the Club to anticipate the Player's selection or recall.

(c) During the period between reporting to the Club and being added to the Active Roster, a Player may participate in one workout and/or orientation without receiving Major League salary or service, but may not be in uniform for a game or otherwise occupy the bullpen, dugout, or field after the official end of his Club's batting practice.

(d) A Player shall receive the full in-season meal and tip allowance under Article VII(B)(1), regardless of whether the Club is at home or on the road, for the day he reports to the Club pursuant to subparagraph 3(a) above. For Players who are added to the Active Roster, the in-season supplemental allowances provided for by Article VII(F) (to the extent applicable) shall commence on the day that they are added to the Active Roster. A

Player who is returned to the Minor Leagues on the day after reporting (pursuant to subparagraph 3(b) above) shall be entitled to the Article VII(B)(1) allowance on the day of his return only if he joins his Minor League club after the start of the Minor League club's game (or he arrives after 6:00 P.M. if no Minor League game is scheduled).

(e) A Player assigned from a Major League Club to a Minor League club may not remain with the Major League Club for more than 24 hours. Nothing contained in this paragraph is intended to affect the 72-hour reporting requirement contained in Regulation 7 of the UPC.

(f) Players who are not on the Club's Opening Day Major League Active Roster on the day that the championship season commences for any Club may not remain with the Major League Club after the time by which Opening Day rosters must be fixed.

F. Spanish Translations and ESL Courses

This Agreement and the following notices and/or forms listed below shall be translated and printed in Spanish and shall be made available to all Spanish-speaking Players.

- (1) Article XIX(A)(3) Advance Consent;
- (2) Article XIX(A)(3) Advance Consent (Free Agent Election Option);
- (3) Consent to Rehabilitation Assignment;
- (4) Consent to Transfer of Rehabilitation;
- (5) Acknowledgement of Rehabilitation Directive at Club's Spring Training Facility;
- (6) Consent to Continue Rehabilitation at Club's Spring Training Facility Beyond 20 Days;
- (7) Notice of Contemplated Outright Assignment (To Players with Three or More Years of Major League Service or a Prior Outright Assignment);
- (8) Notice of Contemplated Outright Assignment (To Players with "Super Two" Status);

- (9) Notice of Contemplated Outright Assignment (To Players with Five or More Years of Major League Service);
- (10) Notice of Contemplated Outright Assignment Under Article XIX(C)(2)(a) (To Injured “Super Two” Players);
- (11) Notice of Contemplated Optional Assignment (To Players with Five or More Years of Major League Service);
- (12) Notice of Unconditional Release Waivers for Purpose of Unconditional Release;
- (13) Notice of Unconditional Release and Termination of Major League Contract; and
- (14) Notice of Disposition.

The costs for the translation and printing shall be borne equally by the Association and the Clubs. In the event of any dispute involving the interpretation of, or compliance with, the provisions of this Agreement or these notices, the English version shall govern. Further, during each championship season covered by this Agreement, each Club will make available an English-as-a-second-language course, at its expense, provided that at least one Player on that Club requests such a course.

In addition, each Club shall request that its Players specify whether they prefer to receive all notices and forms in English or Spanish. At a Player’s election, his Club shall be obligated to translate into Spanish any notice or form it provides to him pursuant to the Basic Agreement, Major League Rules, or Uniform Player’s Contract, or otherwise; provided, however, that the failure to provide notice in Spanish shall not constitute a default of the Club’s obligation to provide such notice if the notice was timely provided in English.

G. Future Expansion

During the term of this Agreement, the Clubs have the right to expand the number of Major League Clubs by adding up to two (2) new Expansion Clubs. Notice of a decision to expand by two Clubs shall promptly be given to the Association and the Association may reopen this Agreement with reference solely to the effect upon the Players of such expansion, upon the giving of 10 days’ written notice.

H. Future Contraction

The Office of the Commissioner and/or the Clubs shall not undertake any centralized effort to reduce the number of Major League Clubs effective for a season covered by this Agreement; provided, however, that nothing in this Article XV(H) shall preclude the owner or owners of an individual Club from taking action (e.g., bankruptcy) that would result in the elimination of such Club. (See Attachment 8.)

I. Sale of Club

In all instances of the sale, trade, exchange or other change or transfer in the ownership of a franchise, all obligations owed to present or former Players arising under a Uniform Player's Contract shall be the obligation of the new ownership of such franchise.

J. Default Notice

During the term of this Agreement, the right of a Player to terminate his Uniform Player's Contract pursuant to the provisions of the first sentence of paragraph 7(a) of such Contract shall be limited to defaults or failures to perform which are material in nature; and any notice of alleged default filed by a Player under paragraph 7(a) of the Uniform Player's Contract must be filed with the Club (with a copy to the LRD) by the Association, in writing, plainly labeled as a default notice. Should such a material breach on the part of a Club be alleged, the Club, the Player involved, the LRD and the Association will cooperate in scheduling the handling of any Grievance brought with respect to such alleged breach so that such Grievance may be submitted to arbitration on an expedited basis.

K. International Play

(1) Definition

International Play is defined as any baseball-related tour, game, clinic or competition, including skills competition, initiated by either party, or by a Player, that involves Players and that is staged:

- (a) outside the United States and Canada; or

(b) within or without the United States or Canada against a foreign club or clubs.

Notwithstanding the foregoing, International Play shall not include:

(i) Championship Season, All-Star, Wild Card, Division Series, League Championship Series and World Series games played in the United States and/or Canada; and

(ii) Exhibition games conducted in the United States or Canada contained in the spring training schedule against any non-Major League club provided the following conditions are satisfied: (v) the Office of the Commissioner shall give the MLBPA written notice of each such exhibition game on or before February 1 of each year during the term of the Basic Agreement, (w) the games are scheduled as split squad games with all 40-man roster Players being afforded the opportunity to play in the alternate game if they choose; (x) a Club may not schedule more than two such exhibition games in any spring training period; (y) no more than 25% of participating Players in the game are on the 40-man roster; and (z) the games are not organized, staged or sponsored by the Office of the Commissioner, MLB Properties or any of their affiliated entities. The Office of the Commissioner will provide to the Association a list of the 40-man roster Players who have agreed to participate in any such exhibition games no later than thirty-six hours before the start of the applicable game.

(2) Possible Expansion

Notwithstanding the foregoing definition of International Play, if a Major League franchise is awarded to a city outside the United States and Canada, all Championship Season, All-Star, Wild Card, Division Series, League Championship Series and World Series games played in that city by such franchise shall not be considered International Play.

(3) Prior Agreement Required

The Clubs agree that there will be no International Play conducted anywhere in the world at any time without the prior consent of the Association.

(4) All International Play Subject to Joint Cooperation

The Association and the Clubs shall cooperate with each other regarding International Play, including the business opportunities arising out of or specifically related to International Play, such as media and sponsorship contracts. In this regard, the Association and the Clubs agree to honor reasonable requests of each other to be present when International Play is discussed with third parties. Moreover, the Association and the Clubs agree that in discussions with third parties regarding International Play, third parties will be advised that the Clubs cannot enter into agreements that bind the Players or the Association, and that the Association cannot enter into agreements that bind the Clubs.

(5) International Play Meetings

In furtherance of joint efforts to develop the sport internationally, the Association and the Office of the Commissioner, on behalf of the Clubs, agree to (i) meet regularly to ensure continued collaboration and cooperation and (ii) keep the other informed regarding all contemplated or planned International Play. The parties shall meet as often as they deem necessary, but in any event within fifteen (15) days following a meeting request from either party.

(6) Staging of International Play Events

During each year of the Basic Agreement, and subject to the requirements of Section XV(K)(3) above, the parties will cooperate in staging International Play events as follows.

(a) The parties will agree prior to March 1, 2012 on a tentative schedule of proposed International Play events for each year of the term of the Basic Agreement. In determining the schedule of events, the parties will consider a variety of factors, including strategic opportunities for expanding the international popularity of baseball, with the recognition that not all events will be profitable. After a tentative schedule has been established, a party may withdraw its consent to participate in an event only if: (i) a participation agreement with an event sponsor has not been executed; and (ii) the party has a reasonable basis for its decision to withdraw.

(b) The terms and conditions of the participation of Players in International Play shall be negotiated by the Association and the Office of the Commissioner in advance and, to the extent possible, the parties will agree, by March 1, 2012, on standard terms and conditions governing each event, including the categories of items that will be considered proper event expenses and fixed stipends to be provided to Players.

(c) All direct expenses, including, but not limited to, Club replacement costs, travel costs, fees and/or prizes, shall be funded, to the extent practicable, by revenues or rights fees from third parties. Notwithstanding the foregoing, compensation paid to Players for their participation in an event shall not be considered a direct expense and shall be deducted from the Players Association's share of the revenue, and compensation paid to managers, coaches, and trainers shall not be considered a direct expense and shall be deducted from the Office of the Commissioner's share of the revenue. The Association and the Office of the Commissioner shall negotiate and agree upon the budget for direct expenses on a project-by-project basis. For each such project, the Association and the Office of the Commissioner, on behalf of the Clubs, shall each be entitled to direct the distribution of one-half of any of the remaining revenues or rights fees from third parties after payment of the direct event expenses. (See Attachment 30.)

(d) The Office of the Commissioner and the Association shall negotiate separate dates and rules to govern those Clubs and Players participating in an International Opener (see Articles V(A) and VI(C)) with the goal being to replicate as closely as possible the rights and obligations that otherwise would have existed.

(e) The parties will agree upon a plan on or prior to March 1, 2012 to expand and promote the marketing of retail products bearing event logos, and a plan to promote the marketing of jointly-licensed productions in conjunction with each event.

(7) Club and Player Participation in International Play Events

(a) Each Major League Club and the respective players on the Club will be required to participate in up to one International Play

event during the term of the Basic Agreement. If a Club participates in an International Play event during the Championship Season, all Players on the Club will be required to participate in the event regardless of whether such Players participated in an International Play event during the Championship Season while a member of another Club.

- (b) With respect to off-season events, the Association, after consulting with the Office of the Commissioner, will use best efforts to recruit players who would be most marketable for the specific event at issue. The Clubs agree to grant permission for player participation in off-season events absent a reasonable basis to deny such participation. The Commissioner will use his authority under the Major League Constitution and/or the Major League Rules to enforce the preceding sentence.
- (c) For all purposes herein, permission for Player participation may not be conditioned on any third party or sponsor-related activity involving the Player (directly or indirectly).
- (d) All Players on a Club will not be required to participate in an International Play event scheduled during Spring Training provided that a representative complement of Players on the Club participate in the event.

L. Interest Rate

A uniform annual interest rate, equal to the total of the prime interest rate in effect at The J.P. Morgan Chase Bank on the immediately preceding November 1, plus 1%, rounded to the nearest full percentage point, shall be applied with respect to the following matters:

- (1) the calculation of the “discounted present value” referred to in Article VI(B)(2)(a)(ii) above, unless the Club and Player mutually agree otherwise;
- (2) the calculation of the “present value” referred to in Article IX(F)(1)(b) above; and
- (3) the calculation of the interest referred to in Article XII(A)(3) above.

(See Attachment 3.)

M. Players Association Tickets

(1) The Association shall have the right to purchase eighteen (18) tickets each for the All-Star Game, the Wild Card Games, the Division Series, the League Championship Series and the World Series, which tickets shall not be used for commercial purposes. Such tickets will be for seats located between first base and home plate or home plate and third base on field level or the first level above field level, except the Clubs will not require the holders of full regular season ticket plans to be relocated. Six (6) of the eighteen tickets made available to the Association for each event shall be “preeminent” seats. A “preeminent” seat is a seat that is located in a location comparable to the seats that Clubs provide the Office of the Commissioner for use as the “Commissioner’s Box.”

(2) The Office of the Commissioner will review with the Association the seat locations proposed by the Clubs to comply with their obligations under Section (1) above as soon as that information is received by the Office of the Commissioner. The Office of the Commissioner will consider in good faith reasonable requests made by the Association to change the location of its allotted tickets.

N. Family and Medical Leave Act

The Clubs will comply with the requirements of the Family and Medical Leave Act (29 U.S.C. 2601 et seq.) and will allow Players to utilize the Bereavement, Medical Emergency and Paternity leaves provided in Major League Rules 2(n) and (o). Medical Emergency and Paternity leaves shall run concurrently with any leave available under the Family and Medical Leave Act.

O. All-Star Game

(1) World Series Home Field Advantage

The World Series home field advantage shall be awarded each year to the team representing the League that prevails in that year’s All-Star Game.

(2) Roster

The roster for each All-Star team shall be 34 players, with 21 position players and 13 pitchers.

(3) Designated Hitter

Both the National League team and the American League team will utilize the Designated Hitter Rule (see Official Baseball Rule 6.10(b)) regardless of whether the game is played in an American League or a National League ballpark.

(4) Election and Selection Process

(a) Fans shall elect nine (9) starting position players in the American League and eight (8) starting position players in the National League. Starting position players and designated hitters must play a minimum of three (3) innings and must get at least one (1) at bat.

(b) Players on the Active Rosters of the Clubs and the Disabled Lists, as well as managers and coaches, shall elect the next nine (9) position players, including a designated hitter, in the American League, the next eight (8) position players in the National League, as well as five (5) starting pitchers and three (3) relief pitchers in each League (the “player selections”), in balloting to be conducted by the Office of the Commissioner and Players Association officials. The voting shall take place by League only. The balloting shall afford all voters with the opportunity to designate five (5) starting pitchers, three (3) relief pitchers and two (2) players at each non-pitching position, a first choice and a second choice. Voters are permitted to vote for Players on their own team.

(c) Promptly following the conclusion of the balloting, the managers of the American and National League teams, in consultation with the Commissioner’s Office, shall select in the case of the American League seven (7), and in the case of the National League nine (9) players (the “additional players”), of whom five (5), in both instances, shall be pitchers. Final authority for the selection of additional players shall reside with the managers of the All-Star teams.

(d) The last position player on each team will be selected in an online fan balloting process conducted by MLB.com. The manager shall select the players to be listed on the online ballot.

(e) Mandatory Participation

(i) Each player elected or selected to the All-Star team is required to attend the All-Star Game as an eligible participant on

the roster and stay for the duration of the game unless: (A) he is on the Disabled List on the Sunday immediately preceding the All-Star Game; (B) he does not play in his Club's final two games immediately preceding the All-Star Game due to injury; (C) he is a starting pitcher who misses his last scheduled start immediately preceding the All-Star Game due to injury; (D) he suffers an injury in either of the two games immediately prior to the All-Star Game and submits (to both the Office of the Commissioner and the Players Association) a certification from his Club physician, with supporting medical records, documenting the injury and certifying that he is unable to participate in baseball activities, and the Office of the Commissioner approves the certification; (E) his Club advises him to refrain from baseball activities during the All-Star Break to treat a chronic injury or condition and submits (to both the Office of the Commissioner and the Players Association) a certification from his Club physician, with supporting medical records, documenting the injury and endorsing the Club's recommendation, and the Office of the Commissioner approves the Club's recommendation; (F) he is unable to render services on the day of the All-Star Game for reasons that would justify his placement on the Major League Bereavement/Family Medical Emergency List or the Major League Paternity List; or (G) he is ineligible to participate in the All-Star Game under the Major League Rules, including, but not limited to, his placement on the Restricted or Disqualified Lists.

(ii) *Sunday Pitcher Rule.* Any starting pitcher elected or selected to the All-Star team who makes a start on the Sunday immediately preceding the All-Star Game ("Sunday Pitcher") shall have the option to participate or not participate in the All-Star Game. If such starting pitcher elects to participate in the All-Star Game, he will not be permitted to pitch for more than one inning, and he may also inform his manager that he should be removed from the game if he reaches a certain pitch count (irrespective of whether he has completed one inning), provided such pitch count is reasonable. If a Sunday Pitcher who was originally named to the team elects not to participate in the All-Star Game, he will be replaced on the roster but treated in the same manner

as other All-Stars who are excused from participation, and he will be encouraged to attend and be announced at the All-Star Game.

(iii) Any player elected or selected to the All-Star team who is not excused from participation by the Office of the Commissioner must participate in all activities required of All-Stars as defined by past practice.

(f) Substitutions. In the event a player who is a player selection does not participate in the All-Star Game pursuant to paragraph 4(e) above, the priority of substitution shall be the player balloting, except that the manager will make the selection if: (i) the top five starting pitchers in the player balloting, the top three relief pitchers in the player balloting or the top three position players at the position in the player balloting, whichever is applicable, already have been named to the team, are unable to participate in the game or, if a Sunday Pitcher is next in the balloting, he elects not to play in the All-Star Game; or (ii) the Office of the Commissioner and the Players Association accept the recommendation of the manager to deviate from the player balloting. Notwithstanding anything to the contrary in the substitution rules, in no event shall a player be named as a replacement in the All-Star Game if, at the time he would be selected as a replacement, he is unable to play in the All-Star Game (or, in the case of a Sunday Pitcher, if he elects not to play in the All-Star Game). In the event that a player who is a fan or manager selection is unable to play in the All-Star Game, the manager shall select the replacement, but the starter at that position shall be a player selection.

(g) All teams shall be entitled to be represented in the All-Star Game. In the event the fan and player balloting does not produce such representation, the required representation shall come exclusively from the additional players. (See subparagraph (c) above)

(h) In online fan balloting conducted by MLB.com, fans shall be afforded the opportunity to participate in the naming of the All-Star Game Most Valuable Players (“MVP”). The player selected by the fans shall receive votes not to exceed one-fourth of the number of sportswriters casting votes for MVP.

(5) Emergency Replacements

In the event that either All-Star team uses its last catcher, and that catcher leaves the game due to injury, that team may substitute a catcher who has previously appeared in the game. In addition, prior to the All-Star Game, each manager will notify the umpire crew chief of one player selected pursuant to paragraph 4(c) above who has been designated as eligible to return to the game in the event that the last position player at any position is injured and must leave the game.

(6) Reserve Pitching Plan

On the day before the All-Star Game, each manager must meet with the Commissioner or his designee to explain his plan for reserve pitching should the game extend into extra innings. The plan should contemplate up to six (6) extra innings and should designate a starting pitcher who is eligible for extra-innings work. On the day before the All-Star Game, the Office of the Commissioner shall provide the Players Association with a written description of each manager's plan. In managing the All-Star Game, the manager shall adhere to the extra innings plan presented to the Commissioner or his designee.

(7) Participant Benefits

Each player elected or selected to the All-Star team or as a participant in the Home Run Derby and who attends the event shall receive the following: (a) six complimentary tickets to the All-Star Game and Home Run Derby for use by player guests (players may request fewer complimentary tickets and players may purchase additional tickets for guests in accordance with past practice); (b) first-class air transportation for himself and two guests (to the extent that such expenses are actually incurred); (c) first-class hotel accommodations for himself and two guests (up to two rooms, if necessary) for a maximum of three days; (d) the applicable in-season meal and tip allowance for three days; (e) a \$1,000 cash stipend; (f) a gift from the player's League; and (g) merchandise that is made available by Major League Baseball's business partners. Players elected or selected to the All-Star team also shall receive a ring and,

if they are attending their 5th, 10th or 15th All-Star Game as an All-Star, shall also receive a gift/memento and special recognition. (See Article VII(E).)

(8) Players Trust Benefits

(a) The Office of the Commissioner shall contribute \$700,000 to the Players Trust on or before July 31, 2012; \$750,000 to the Players Trust on or before July 31 in each year 2013, 2014 and 2015; and \$800,000 to the Players Trust on or before July 31, 2016.

(b) The Office of the Commissioner shall arrange, as part of the presentation of each year's Home Run Derby, at least one minute or longer for a Player interview during the actual broadcast of the Derby, the focus of which interview shall be on Trust activities. The Player interviewed will also be offered the opportunity to continue the discussion during a brief period of the competition. Players Association personnel will be available for consultation with the broadcaster prior to the interview.

(c) The Office of the Commissioner shall arrange, as part of the presentation of the All-Star Game, a meaningful promotion of the Players Trust during the national broadcast of the All-Star Game through the broadcast of a promotional highlight of Players Trust activities. Players Association personnel will be available for consultation with the broadcaster prior to the promotion.

ARTICLE XVI—Deferred Compensation

There shall be no limitations on either the amount of deferred compensation or the percentage of total compensation attributable to deferred compensation for which a Uniform Player's Contract may provide.

Deferred compensation obligations incurred in a Contract executed after December 31, 1985 but before September 30, 2002 must be fully funded by the Club, in an amount equal to the present value of the total deferred compensation obligation, on or before the third January 1 following the championship season in which the deferred compensation is earned. Deferred compensation obligations incurred in a Contract executed on or after September 30, 2002 must be fully funded by the

Club, in an amount equal to the present value of the total deferred compensation obligation, on or before the second July 1 following the championship season in which the deferred compensation is earned. For purposes of this Article XVI, full funding of the present value of deferred compensation obligations shall mean that the Club must have funded, for the duration of and without interruption in each year, the current present value of the then outstanding deferred payments, discounted by 5% annually. If the prime interest rate in effect at The J.P. Morgan Chase Bank on the immediately preceding November 1 is 7% or higher, the Parties shall meet and confer regarding this Article XVI discount rate and may, with due notice to the Clubs, amend such discount rate effective the next succeeding July 1.

Notwithstanding the above funding requirement, each Club shall be entitled to an annual deductible amount of deferred compensation which need not be funded for Contracts executed before December 11, 2011. Such deductible amount shall be applied to the aggregate of Uniform Player's Contracts executed during a given Basic Agreement period before December 11, 2011, and shall be in an amount equal to the lesser of \$2,000,000 or the present value of the total deferred compensation obligations owed by a Club pursuant to Uniform Player's Contracts executed during a given Basic Agreement period before December 11, 2011. The deductible amount applicable to Uniform Player's Contracts signed during a given Basic Agreement period before December 11, 2011 is applied against the Club's current aggregate deferred compensation funding obligations from Uniform Player's Contracts signed during that Basic Agreement period and not any particular Uniform Player's Contract(s).

Unless the Uniform Player's Contract provides otherwise, a Club may fund deferred compensation obligations in such manner as it elects, provided that: (a) the funding method used by the Club must be such that the amount(s) funded are exclusively for the uses and purposes of satisfying the deferred compensation obligation(s) being funded; (b) the amount(s) funded are maintained in the form of unencumbered assets comprising cash or cash equivalents and/or registered and unrestricted readily marketable securities, unless a Club obtains the Parties' prior written authorization of an alternative form; and (c) such amount(s) funded are subject to the claims of the Club's general creditors. Each Club shall certify quarterly to the Office of the Commis-

sioner by January 31, April 30, July 31, and October 31 of each year (and the Office of the Commissioner shall provide such certifications to the Association within 30 days of their receipt) the manner in which its deferred compensation obligations that were required to be funded by the immediately preceding July 1 have been funded. In addition, upon each quarterly certification, each Club shall provide to the Office of the Commissioner all records relating to its deferred compensation funding arrangements, and the Office of the Commissioner shall supply any such records to the Association upon request.

ARTICLE XVII—Existing Agreements

The Parties recognize that there are existing agreements between a Major League Club or Clubs and the Players or the Association, and between either of the Major Leagues separately and the Players or the Association. The Parties reaffirm such agreements and incorporate them as part of this Agreement insofar as they are not inconsistent with this Agreement. Such agreements shall be considered agreements between the Association and the Clubs or any of them for the purpose of the Grievance Procedure provided for in Article XI hereof.

The following three agreements between the Clubs and the Association shall not be incorporated as part of this Agreement and shall not be affected by the adoption of this Agreement:

- (a) The Major League Baseball Players Benefit Plan;
- (b) The Agreement Re Major League Baseball Players Benefit Plan; and
- (c) The Agreement regarding dues check-off.

ARTICLE XVIII—Rule Changes

If during the term of this Agreement any Major League Rule, or other rule or regulation is proposed to be changed, the Clubs agree that they shall give the Association notice thereof, and shall negotiate the proposed change with the Association, provided that the obligation to negotiate with the Association provided by this Article XVIII shall apply only to (a) a change in a Player benefit under an existing rule or regulation and (b) the adoption of a rule or regulation which would change a Player benefit under an existing rule or regulation or impose

an obligation upon the Players which had not previously existed. Except as specifically provided in this Article XVIII, the right of the Clubs to make any rule change whatsoever shall not be impaired or limited in any way, provided that the Clubs shall not make any change which is inconsistent with the provisions of any then existing agreement between the Clubs and the Association.

Notwithstanding the foregoing paragraph, if during the term of this Agreement any playing or scoring rule is proposed to be changed, the Clubs agree that they shall give the Association notice thereof, and shall negotiate the proposed change with the Association, provided that the obligation to negotiate with the Association shall apply only to changes which significantly affect terms and conditions of employment. Such proposals to change playing or scoring rules shall normally be made only during the off-season. If the Clubs and the Association fail to reach agreement on a proposed change which is subject to negotiation, the proposed change shall not be put into effect until the completion of the next complete succeeding season (including the Wild Card Game, Division Series, League Championship Series and World Series) following the date the change was proposed.

ARTICLE XIX—Assignment of Player Contracts

A. Consent to Assignment

(1) The contract of a Player with ten or more years of Major League service, the last five of which have been with one Club, shall not be assignable to another Major League Club without the Player's written consent. At his sole election, however, a Player may, at the time he signs a multi-year contract with a Club, waive the right to prevent an assignment of his contract under this Section A(1), provided that the multi-year contract (a) is signed before the Player has attained ten or more years of Major League service, the last five of which have been with one Club, and (b) contains a no trade provision that, at a minimum, limits the Club's right to assign the Player's contract, during each of its years, to no more than sixteen (16) Clubs designated or subsequently to be designated by the Player.

(2) (a) The contract of a Player with five or more years of Major League service, not including service while on the Military List (or

seven or more years of Major League service, including service while on the Military List), shall not be assigned otherwise than to another Major League Club, without the Player's written consent.

(b) Not earlier than 4 days prior to the contemplated date of an assignment requiring the Player's consent under subparagraph (a) above, or 8 days, if the Player has no options remaining or if the assignment is during the period from the close of the championship season to the opening of spring training, the Club shall give written notice to the Player, with a copy to the Association, which shall advise the Player that he may (i) consent to the assignment, (ii) refuse the assignment or (iii) elect to become a free agent. Additionally, the notice shall advise that in the event that the Player consents to the assignment, he may elect free agency between the end of the then current Major League season and the next following October 15, unless he is returned to a Major League roster prior to making such election.

The Player shall also be informed in the notice that, within the 3 days after the date of the notice, or 8 days, if during the period from the close of the championship season to the opening of spring training, he must advise the Club in writing as to his decision to consent to the assignment or to elect to become a free agent. A failure on the part of the Player to respond to the notice shall constitute a refusal of the assignment. No response from the Player shall be considered effective until twenty-four hours from his receipt of the Club's notice.

(c) A Player who elects to become a free agent under this paragraph (2) shall immediately be eligible to negotiate and contract with any Club without any restrictions or qualifications. Such Player shall not be entitled to receive termination pay. Such a free agent shall receive transportation and travel expenses in the same manner as he would if he had been unconditionally released except that he shall be limited to receiving travel expenses to his new club if he reports to it directly, provided such expenses are less than to his home city.

(3) Any Player who has a right to refuse the assignment of his contract under paragraph 2(a) above may grant consent to an assignment of his contract in advance of any specific contemplated

assignment if such consent (a) is granted not more than ten (10) days prior to the start of the championship season for which the consent is given, (b) is in writing, (c) designates the assignee Club and (d) requires that the assignment take place within 45 days from the start of the championship season or the date on which the consent is granted, whichever is later. The Club shall provide a copy of the Player's consent to the Association contemporaneously upon the Club's receipt of such consent. No Club shall attempt to secure, by any Major League terms included in a Minor League Uniform Player Contract, an advance consent to an assignment to a Minor League club, and any consent so secured shall have no force or effect.

B. Assignment to Minor League club

When a Player's contract is assigned from a Major League Club to a Minor League club, the rights and benefits of such Player that do, and do not, follow him to the Minor Leagues shall be in accordance with past practices. Additionally, such a Player shall retain the right, if any, to become a free agent, or to require the assignment of his contract, which he possessed under his then current Major League contract as provided in Article XX hereof, which right shall not be diminished or interfered with as a result of such assignment or the signing by the Player of a Minor League contract, provided that such right shall terminate if and when such Player signs a Minor League contract following the time when his free agency rights arise under Article XX.

C. Disabled List—Assignment to Minor League club

(1) There shall be no assignment of a Player by a Major League Club to a Minor League club while such Player is on a Major League Disabled List.

Players may not be reinstated from the Disabled List for purposes of assignment to a Minor League club until they are ready to play. Players who are injured and not able to play may not be assigned to a Minor League club. However, if a Player who is on optional assignment consistent with this provision is assigned to another Major League Club, he may be optioned immediately by the assignee Club without violating this prohibition, regardless of whether the Player is injured and unable to play at the time of the assignment.

Grievances alleging a violation of Article XIX(C)(1) that have the potential to affect a Player's status under Article VI(E), XX(B) or XX(D) shall be submitted to arbitration prior to Grievances that do not affect the status of Players.

(2) Notwithstanding Section C(1) above, a Player who is injured and not able to play may be assigned to a Minor League club:

(a) During the period immediately following the close of the championship season and before the filing of Major League Reserve Lists under Major League Rule 2(a), if:

(i) the Player's Major League Uniform Player's Contract does not cover the next succeeding season; and

(ii) the Player, if he otherwise would have been eligible for salary arbitration as a "Super Two" Player (see Article VI(E)(1)(b)), may elect free agency under the procedures contained in Article XX(D) in lieu of accepting the assignment; provided, however, that a Player who accepts the assignment shall not have a right, by virtue of such acceptance, to elect free agency following the next succeeding championship season.

(b) During the period immediately following the filing of Major League Reserve Lists and before the 15th day prior to the start of the next championship season, if:

(i) the Player has less than three years of Major League service;

(ii) the contemplated assignment would not be the Player's second (or subsequent) career outright assignment since March 19, 1990;

(iii) the Player had no Major League service the prior championship season; and

(iv) the Player was not selected by the assignor Major League Club in the immediately preceding Rule 5 Draft.

(3) *Rehabilitation Assignments*

(a) Notwithstanding Section C(1) above, a Player on the Disabled List may be assigned to a Minor League club for the purpose of rehabilitation with the Player's written consent, a copy of

which shall be forwarded to the Association, and with the approval of the Commissioner. (See Attachment 39.)

(b) Separate consent shall be required for a rehabilitation assignment for a new injury or a reoccurrence of an injury. In order for a Player's written consent to be effective, the duration of his rehabilitation assignment must be the product of good faith negotiation between the Player and Club. No consent shall be effective for longer than twenty days (thirty days for pitchers).

(c) A Player on the Disabled List may be assigned to a Minor League club for up to a maximum of twenty days (thirty days for pitchers) for each injury, or reoccurrence of an injury, for the purpose of rehabilitation. However, a Player may provide more than one consent for the same injury, or a reoccurrence of an injury, if the total number of days of the rehabilitation assignment for that injury or reoccurrence does not exceed a maximum of twenty days (thirty days for pitchers).

(d) Any service with a Minor League club while on rehabilitation assignment shall be deemed to be Major League service as defined in Article XXI. A Player so assigned shall continue to receive his Major League salary and the other rights and benefits of such Player shall be in accordance with past practices relating to assignments to Minor League clubs; provided, however, that all such players shall be treated as if they were Major League Players on the road for purposes of hotel accommodations and the daily meal and tip allowance. Such assignment shall not be counted as an optional assignment under Major League Rule 11 or for any other purpose, and waivers shall not be required.

D. Foreign Assignments

Except for the return of conditional assignments from outside the United States and Canada, the contract of a Player shall not be assigned otherwise than within the United States and Canada, without the Player's written consent.

E. Optional Assignments

If a Player is optionally assigned for a total of less than 20 days in one championship season, such optional assignment(s) shall not count as

an optional assignment in connection with the limitation upon optional assignments provided for in Major League Rule 11(c). (See Article XXI(B).)

For purposes of counting days on option, the date of the optional assignment shall be counted and the date of recall shall not be counted, provided that the date of the optional assignment shall not be counted if the assignment takes place after the start of a Major League game in which the Player otherwise would have been eligible to play, and the date of recall shall be counted if the recall takes place after the start of any Minor League game in which the Player was eligible to play.

F. Waivers

Any assignment of a Player contract must conform to the rules regarding waivers contained in Major League Rule 10.

In addition, each Friday, not later than 3 P.M. E.D.T., the Office of the Commissioner shall notify the Association, by facsimile transmission, of all waiver requests and their disposition. Notification shall include:

- (1) the date on which the waiver request was made;
- (2) the date of expiration of the waiver period;
- (3) if the waiver period has expired, whether or not claims were filed;
- (4) if claims are not filed, the period for which waivers have been granted; and
- (5) if claims were filed, whether or not the Club requesting waivers has withdrawn its request. In the event claims were filed and the Club requesting waivers has withdrawn its request, the Office of the Commissioner need not identify the claiming Club or Clubs.

G. Designated Player

A Player who is in the status of a “designated player” under Major League Rule 2(k) shall, during the period he is in such status, be

- (1) paid at the rate of his Major League salary and
- (2) credited with Major League service.

A Player who is in the status of a “designated player” under Major League Rule 2(k) shall be unconditionally released or his contract assigned within 10 days after he is placed in the status. A Club must request the necessary waivers in a time frame that will allow it to unconditionally release or assign the player within the 10-day period.

H. Unconditional Release

Notwithstanding the provisions of Major League Rule 8 and paragraph 7(d) of the Uniform Player’s Contract, the following procedure may be used to give notice to a Player in connection with his unconditional release.

At the same time the Club advises a Player in writing that the Club has requested waivers for the purpose of unconditional release, and the date on which the waiver request will expire, the Player shall advise the Club in writing of the address and telephone number to which the Club should telephone or telegraph notice of termination to the Player upon the expiration of the waiver period. If the Player fails to supply a telephone number or address, the Club may use the most recent address or telephone number the Player has supplied the Club.

Upon the expiration of the waiver period, the Club shall either give notice to the Player by telephone or by sending a telegraph notice of termination to the Player. In addition, the Player may make a collect telephone call to the Club to determine whether his contract has been claimed.

I. Forms

In any case in which a Player’s consent must be secured prior to the assignment of his contract (see Article XIX(A)(1), Article XIX(A)(2)(a), Article XIX(A)(3) and Article XIX(C)(3)) or in which a Player may elect free agency in lieu of accepting the outright assignment of his contract (see Article XX(D)(1) and (2)), the form given to the Player must include the Player’s name in typewritten form.

ARTICLE XX—Reserve System

A. Reservation Rights of Clubs

Subject to the rights of Players as set forth in this Agreement, each Club may have title to and reserve up to 40 Player contracts. A Club

shall retain title to a contract and reservation rights until one of the following occurs:

- (1) The Player becomes a free agent, as set forth in this Agreement;
- (2) The Player becomes a free agent as a result of
 - (a) termination of the contract by the Club pursuant to paragraph 7(b) thereof,
 - (b) termination of the contract by the Player pursuant to paragraph 7(a) thereof,
 - (c) failure by the Office of the Commissioner to convey to the Player, by Central Tender Letter submitted to the Association, the Club's tender of a new contract within the time period specified in paragraph 10(a) of the contract (see Attachment 9), or
 - (d) failure by the Club to exercise its right to renew the contract within the time period specified in paragraph 10(a) thereof; or
- (3) The contract is assigned outright by the Club.

On or before December 2 (or, if December 2 is a Saturday or Sunday, then on or before the preceding business day) the Office of the Commissioner shall satisfy the Clubs' tender obligations pursuant to paragraph 10(a) of the Uniform Player's Contract by submitting to the Association a letter listing, by Club, the Players to whom each Club is tendering a contract for the term of the next year ("Central Tender Letter"). The Central Tender Letter shall, consistent with Article VI(A) and Article VI(B), include for each Player so tendered the salary or salaries, performance bonuses and/or other terms, if any, offered by the Club. The Central Tender Letter also shall separately list, also by Club, those players who have not been tendered a contract for the term of the next year. The Office of the Commissioner, at the time it transmits the Central Tender Letter, shall provide to the Association addresses for all Players who had been promoted to the Major League roster for the first time in the preceding November and for those Players who do not have a certified Player Agent. (See Attachment 9.)

With the exception of an untimely tender or renewal, any inadvertent error in the tendering or renewal of a contract shall result in free

agency under paragraph (2)(c) or (2)(d) above, whichever is applicable, only if the Player has first given the Club written notice that the tendered or renewed Contract does not conform to the requirements of Article VI of this Agreement and the Club has not retendered or reexercised a renewal in conformance with all applicable rules within seven (7) days after receipt by the Club of written notice of such defect. In the event of an untimely tender or renewal, the Player shall immediately become a free agent under paragraph (2)(c) or (2)(d) above, whichever is applicable, and the Club shall have no right to cure such a tender or renewal. (But see Article VI(B)(3).)

A Club may also reserve, under separate headings on a Reserve List, Players who properly have been placed on the Voluntarily Retired List, the Military List, the Suspended List, the Restricted List, the Disqualified List or the Ineligible List. (See Attachments 10, 11 and 12.)

B. Free Agency

(1) Eligibility

Following the completion of the term of his Uniform Player's Contract, any Player with 6 or more years of Major League service who has not executed a contract for the next succeeding season shall become a free agent, subject to and in accordance with the provisions of this Section B.

(2) Procedure

The procedure set forth in this paragraph (2) shall apply to Players who become free agents pursuant to paragraph (1) above. Players who otherwise become free agents under this Agreement shall be eligible to negotiate and contract with any Club without any restrictions or qualifications.

(a) A Player eligible to become a free agent under paragraph (1) shall become a free agent as of 9:00 A.M. Eastern Time on the day following the day that the last game of the World Series had started.

(b) During the period beginning at the time when the Player becomes a free agent as defined in subparagraph (a) above and ending at 11:59 P.M. Eastern Time on the fifth day following the day that the last game of the World Series had started ("Quiet

Period”), any Club representative and any free agent or his representative may talk with each other and discuss the merits of the free agent contracting, when eligible therefor, with the Club; provided, however, that the Club and the free agent shall not negotiate terms or contract with each other. The following subjects are among those which may properly be discussed between any Club and such Player:

- (i) the Player’s interest in playing for the Club, and the Club’s interest in having the Player play for it;
- (ii) the Club’s plans about how it intends to utilize the Player’s services (as a starting pitcher or reliever, as a designated hitter or not, platooning, etc.);
- (iii) the advantages and disadvantages of playing for the Club including the nature of the organization, the climate of the city, availability of suitable housing, etc.;
- (iv) length of contract;
- (v) guarantee provisions; and
- (vi) no-trade or limited no-trade provisions.

Notwithstanding the foregoing, the free agent and his former Club may engage in negotiations and enter into a contract during the Quiet Period.

(c) Players who become free agents pursuant to this Section B shall, upon the expiration of the Quiet Period, be eligible to negotiate and contract with any Club, subject to the provisions of this Section B.

(3) Rights of Former Club

The following provision shall apply only to each Player who becomes a free agent under this Section B after having been continuously under reserve (without interruption) to the same Club (either at the Major or Minor League level) since Opening Day of the recently completed championship season (“Qualified Free Agent”).

During the Quiet Period, the former Club of a Qualified Free Agent may tender the Qualified Free Agent a one-year Uniform Player’s Contract for the next succeeding season with a guaranteed

salary that is equal to the average salary of the 125 highest-paid Players each year (“Qualifying Offer”). The amount of the Qualifying Offer each year shall be determined pursuant to Attachment 45 to this Agreement, and shall be communicated to Clubs and Players by the parties within ten (10) days of the conclusion of the championship season. Clubs shall inform the Labor Relations Department (“LRD”) of the Office of the Commissioner whether they will make a Qualifying Offer to a Qualified Free Agent, and the LRD will inform the Players Association no later than 5 P.M. Eastern Time on the last day of the Quiet Period of each Club’s Qualifying Offers to Qualified Free Agents. If the former Club of a Qualified Free Agent does not tender him a Qualifying Offer, it shall not be entitled to compensation under paragraph (4) of this Section B with respect to that Qualified Free Agent.

A Qualified Free Agent may accept a Qualifying Offer until the seventh day following the conclusion of the Quiet Period (“Acceptance Period”). The Players Association shall provide the LRD with a list of the Qualified Free Agents who have accepted the Qualifying Offer by 5 P.M. Eastern Time of the final day of the Acceptance Period. Any Qualifying Free Agent whose name is not included on the list provided by the Players Association to the LRD will be deemed to have rejected the Qualifying Offer.

If the Player accepts the Qualifying Offer, he shall be a signed player for the next season on a one-year contract with a salary equal to the amount of the Qualifying Offer, and shall be eligible for in-season termination pay as set forth in Article IX, Section C if his Contract is terminated under paragraph 7(b)(2) of the Uniform Player’s Contract from the date of acceptance through the conclusion of the championship season.

(4) Compensation

(a) A Qualified Free Agent shall be subject to compensation only if: (i) his former Club tenders him a Qualifying Offer pursuant to paragraph (3) of this Section B; (ii) the Player declines the Qualifying Offer or signs a contract with another Major League Club prior to the expiration of the Acceptance Period; and (iii) the Player signs a Major League contract with another Major League Club that is confirmed by the Players Association and the LRD before the next

succeeding Major League Rule 4 Draft (“Rule 4 Draft”). A Qualified Free Agent who signs a bona fide Minor League contract shall not be subject to compensation irrespective of whether the Minor League contract is subsequently assigned to the Major League Club provided that the execution of the Minor League contract and the subsequent assignment were not the product of an agreement or understanding designed to circumvent Article XX(B)(3) and (4).

(b) Former Club. The former Club of a Qualified Free Agent subject to compensation shall receive an amateur draft choice (“Special Draft Choice”) in the next Rule 4 Draft. Clubs that have lost Qualified Free Agents subject to compensation shall receive a Special Draft Choice in the reverse order of their won-lost percentage in the recently completed season, with the selections beginning immediately following the last regular selection in the first round of Rule 4 Draft. If a Club is entitled to more than one Special Draft Choice, its selections will be slotted in succession. If two or more Clubs are tied, the Clubs shall select in the reverse order of their winning percentages in the season prior to the recently completed season, with any remaining ties to be resolved based on preceding season winning percentages.

(c) Signing Club.

i. A Club that signs one Qualified Free Agent who is subject to compensation shall forfeit its highest available selection in the next Rule 4 Draft. A Club that signs more than one Qualified Free Agent subject to compensation shall forfeit its highest remaining selection in the next Rule 4 Draft for each additional Qualified Free Agent it signs. Notwithstanding the above, a Club shall not be required to forfeit a selection in the top ten of the first round of the Rule 4 Draft, and its highest available selection shall be deemed its first selection following the tenth selection of the first round.

ii. A Club’s highest available selection in the next Rule 4 Draft shall be determined after accounting for any selections the Club forfeited for exceeding its Signing Bonus Pool in the Rule 4 Draft. With the exception of draft selections awarded to a Club pursuant to Major League Rule 4(c)(2), all of a Club’s draft selections will be subject to forfeiture pursuant to subsection 4(c)(i)

above, including draft selections obtained through assignments, draft selections obtained in the Competitive Balance Lotteries and Forfeited Draft Pick Lotteries, and draft selections awarded as compensation pursuant to subsection 4(b) above.

(5) *Miscellaneous*

(a) Any Club signing a contract with a Player under this Section B after the expiration of the Quiet Period described in subsection 2(b) above may not assign his contract until after the next June 15. However, notwithstanding the foregoing, such contract may be assigned for other Player contracts and/or cash consideration of \$50,000 or less prior to the next June 16 if the Player gives written consent to such transaction.

(b) There shall be no restriction or interference with the right of a free agent to negotiate or contract with any baseball club outside the structure of organized baseball, nor shall there be any compensation paid for the loss of a free agent except as provided for in this Section B.

(c) A Club and Player (or their designated representatives) shall not enter into any agreement, understanding or contract, or make any representation, promise or commitment, whether implied or explicit, either orally or in writing, that the Club will not make a Qualifying Offer to a Player, or that a Player will not accept a Qualifying Offer if one is tendered to him. Any Club or Club employee that violates this provision will be subject to discipline by the Commissioner, including the potential forfeiture of draft selections.

(d) *Retention Bonus.*

i. If a Club signs a Player who became a free agent pursuant to this Section B to a Minor League Uniform Player Contract between the date the Player became a free agent as set forth in subsection B(2)(a) above and ten days prior to the commencement of the next succeeding championship season, the Club shall pay the Player a retention bonus of \$100,000 if, by 12 P.M. Eastern Time on the fifth day prior to the first day of the championship season, (i) the Club does not agree in writing to add the Player to its Opening-Day 25-man roster or Major League Disabled List at the commencement of the championship season, or

(ii) the Club does not provide the Player with his immediate unconditional release.

ii. If a Club agrees to add a Player to its Opening-Day 25-man roster or Major League Disabled List at the commencement of the championship season pursuant to subsection (d)(i) above, the Club must notify the LRD of its decision either to add the Player to its Opening-Day 25-man roster or Major League Disabled List no later than 12 P.M. Eastern Time on the fifth day prior to the first day of the championship season, and the LRD will inform the Players Association.

iii. The \$100,000 retention bonus described in subsection (d)(i) above must be paid on or before April 15 of the next succeeding championship season. Such bonus shall not be subject to the non-duplication provision contained in Article IX(F) of this Agreement.

iv. If a Club elects to retain a Player under his Minor League Uniform Player Contract pursuant to subparagraph (i) above by paying the \$100,000 retention bonus, the Player may require the Club to provide him with his unconditional release on June 1 if he had not been added to the Club's 25-man roster or placed on the Major League Disabled List at any time prior to June 1. The Player must notify the Club in writing no later than 2 P.M. Eastern Time on May 28 that he is requesting his unconditional release by 2 P.M. Eastern Time on June 1 if the Club does not add him to its 25-man roster or Major League Disabled List by that time.

v. A Club and Player may agree to a special covenant to a Minor League Uniform Player Contract for a Player covered by this subsection (5)(d) that provides the Player with a retention bonus greater than \$100,000, an earlier deadline for adding the Player to its Opening-Day 25-man roster or Major League Disabled List, an advanced payment schedule for the bonus, or an earlier date by which the Player may require the Club to provide him with his unconditional release. Nothing contained herein is intended to modify any other provision contained under this Agreement or the Major League Rules with respect to permissible special covenants in a Minor League Uniform Player Contract.

vi. This subsection (5)(d) shall apply to Players who became free agents pursuant to the provisions set forth in Section B(1) and (2) above, and shall not apply to Players who became free agents pursuant to any other provision of the Basic Agreement or a special covenant to a Major League Uniform Player's Contract.

(e) The exercise dates of option provisions contained in Uniform Player's Contracts all must fall within the Quiet Period described in subparagraph (2)(b) above.

C. [Reserved]

D. Outright Assignment to Minor League club

(1) *Election of Free Agency—3-Year Player*

Any Player who has at least 3 years of Major League service, or who qualified as a "Super Two" Player under Article VI(E)(1)(b) as of the conclusion of the prior championship season, and whose contract is assigned outright to a Minor League club may elect, in lieu of accepting such assignment, to become a free agent. In the event that such a Player with at least 3 years of Major League service does not elect free agency in lieu of accepting such assignment, he may elect free agency between the end of the then current Major League season and the next following October 15, unless such Player is returned to a Major League roster prior to making such election. Any Player who accepts an outright assignment as a "Super Two" Player will not retain a right to elect free agency following the season.

(2) *Election of Free Agency—Second Outright Assignment*

Any Player whose contract is assigned outright to a Minor League club for the second time or any subsequent time in his career may elect, in lieu of accepting such assignment, to become a free agent. In the event that such Player does not elect free agency in lieu of accepting such assignment, he may elect free agency between the end of the then current Major League season and the next following October 15, unless such Player is returned to a Major League roster prior to making such election.

(3) Effect of Free Agency Election

A Player who becomes a free agent under this Section D shall immediately be eligible to negotiate and contract with any Club without any restrictions or qualifications. Such Player shall not be entitled to receive termination pay. Such a free agent shall receive transportation and travel expenses in the same manner as he would if he had been unconditionally released except he shall be limited to receiving travel expenses to his new club if he reports to it directly, provided such expenses are less than to his home city.

(4) Procedure

Not earlier than 4 days prior to the contemplated date of an outright assignment, or 8 days, if the Player has no options remaining or if the assignment is during the period from the close of the championship season to the opening of spring training, the Club shall give written notice to the Player, with a copy to the Association, which shall advise the Player that he may either (a) accept the assignment or (b) elect to become a free agent, and that in the event he accepts the assignment, he may (except in the case of a "Super Two" Player who accepts a first outright assignment) elect free agency between the end of the then current Major League season and the next following October 15, unless he is returned to a Major League roster prior to making such election. The Player shall also be informed in the notice that, within 3 days after the date of the notice, or 8 days, if during the period from the close of the championship season to the opening of spring training, he must advise the Club in writing as to his decision whether to accept the assignment. No such decision from a Player shall be considered effective until twenty-four hours from his receipt of the Club's notice. If the Club fails to give written notice, as set forth herein, to the Player prior to the date of such assignment, the Player may, at any time, elect to become a free agent pursuant to this Section D; provided, however, that if the Club subsequently gives such written notice to the Player, he shall, within 3 days thereafter, or 10 days, if during the period from the close of the championship season to the opening of spring training, advise the Club in writing as to his decision. No such decision from a Player shall be considered effective until twenty-four hours from his receipt of the Club's notice.

E. Individual Nature of Rights

(1) The utilization or non-utilization of rights under Article XIX(A)(2) and Article XX is an individual matter to be determined solely by each Player and each Club for his or its own benefit. Players shall not act in concert with other Players and Clubs shall not act in concert with other Clubs.

(2) Upon any finding of a violation of Section E(1) of this Article XX by two or more Clubs, any injured Player (or Players) shall be entitled to recover in monetary damages three (3) times the lost baseball income, he (or they) would have had but for the violation. Such lost baseball income shall be limited to lost salary and other lost contractual terms, including lost additional contract years, lost signing bonuses, lost trade restriction provisions, lost option buyout provisions, and lost incentive bonuses (e.g., performance, awards, attendance and weight bonuses). Damages (and fees and interest) may be recovered only from the Clubs found to have violated Section E(1) of this Article XX.

(3) Notwithstanding any other provision of this Basic Agreement, the Arbitration Panel shall further order payment by the Clubs found to have violated Section E(1) of this Article XX of all reasonable attorneys' fees and expenses, expert witness fees and expenses and prejudgment interest on the single damage calculation of the lost baseball income pursuant to paragraph (2).

(4) Any injured Player (or Players or the Association) shall not be entitled to recover any monetary damages pursuant to this Article XX(E) other than those enumerated in paragraphs (2) and (3). However, nothing in paragraphs (2) and (3) is intended to reflect any agreement between the parties on mitigation issues.

(5) In addition, upon any finding by the Arbitration Panel of a violation by five (5) Clubs or more of Section E(1) of this Article XX, the Association shall have the right to reopen this Agreement upon sixty (60) days written notice to the LRD.

(6) Upon any finding by the Arbitration Panel of a violation of Section E(1) of this Article XX by two (2) or more Clubs, any injured free agent Player will have the right to terminate his existing contract (or reserve status) at his option immediately following

the issuance of the finding by the Arbitration Panel. However, no such termination shall take effect during the period beginning on February 15 and ending with the conclusion of the World Series. If the finding of the Arbitration Panel is issued at any time on or after January 15, but before February 15, the Player shall have the right to terminate his existing contract (or reserve status) at his option either (a) immediately; or (b) within the fifteen (15) day period following the conclusion of the next succeeding World Series. At the time any contract (or reserve status) is terminated pursuant to this paragraph (6), such free agent Player shall immediately have the right to negotiate with and enter into a contract with any Club, without any restrictions or qualifications. If the contract (or reserve status) is terminated, the free agent Player may choose to reinstate his contract (or reserve status) at any time up until the March 15 succeeding such termination.

(7) If a Player does not exercise his right pursuant to paragraph (6) to reinstate his contract (or reserve status), all obligations of the Player and of the Club under said contract (or reserve status) shall cease as of the end of the period in which the Player has the right to reinstate his contract (or reserve status), except the obligation of the Club to pay the Player's compensation to that date. If at the end of the period the Player has not signed a new contract and has not exercised his right to reinstate his existing contract (or reserve status), at that point, the Player shall be considered an unrestricted free agent.

(8) Utilization or non-utilization of the procedures set forth in paragraph (6) above shall be without prejudice to any injured free agent Player. However, the experience of each Player who utilizes such procedures shall be considered by the Arbitration Panel in determining such further relief, if any, to which he may be entitled.

(9) It is understood that in the event of a violation of Section E(1) of this Article XX, the Arbitration Panel shall have the authority to order such other and further non-monetary (e.g., injunctive) relief as may be necessary to give full force and effect to the purposes of and to the rights and benefits afforded to Players under this Article XX.

ARTICLE XXI—Credited Major League Service

A. Definitions

Those Player rights expressly set forth in the Basic Agreement for which a Player's eligibility is dependent upon credited Major League service will be determined as follows:

- (1) One full day of Major League service will be credited for each day of the championship season a Player is on a Major League Club's Active List. A total of 172 days of Major League credited service will constitute one full year of credited service. A Player may not be credited with more than one year of credited service, 172 days, in one championship season. Major League service will be computed commencing with the date of the first regularly scheduled championship season game, through and including the date of the last regularly scheduled championship season game. This rule shall apply uniformly to all Players and all Clubs notwithstanding differences in a particular Club's schedule.
- (2) For purposes of calculating credited service, a Player will be considered to be on a Club's Active List if:
 - (a) placed on a disciplinary suspension by a Club, the Senior Vice President, Standards and On-Field Operations or the Commissioner, or on the Disabled List; or
 - (b) called to active military duty for up to two years or if called to emergency duty by the National Guard for a period of up to thirty days.

B. Optional Assignments

If a Player is optionally assigned for a total of less than 20 days in one championship season, the Player shall be credited with Major League service during the period of such optional assignment(s). (See Article XIX(E).)

For purposes of counting days on option, the date of the optional assignment shall be counted and the date of recall shall not be counted, provided that the date of the optional assignment shall not be counted if the assignment takes place after the start of a Major League game in which the Player otherwise would have been eligible to play, and the date of recall shall be counted if the recall takes place after the start of

any Minor League game in which the Player was eligible to play. (See Attachment 32.)

ARTICLE XXII—Management Rights

Nothing in this Agreement shall be construed to restrict the rights of the Clubs to manage and direct their operations in any manner whatsoever except as specifically limited by the terms of this Agreement.

ARTICLE XXIII—Competitive Balance Tax

A. General Definitions

The following definitions shall apply only to this Article XXIII, unless expressly adopted for use in another Article of this Agreement.

(1) “Contract Year” shall mean the period from December 2 of one year through and including December 1 of the following year, or such other one-year period to which the Office of the Commissioner and the Association may agree. To the extent that a Contract Year is referenced by a number in connection with a particular calculation, the reference shall be to the calendar year of the championship season that falls in that Contract Year.

(2) “Uniform Player’s Contract” shall mean a Major League Uniform Player’s Contract. (See Schedule A.)

(3) “Split Contract” shall mean a Uniform Player’s Contract which sets out separate rates of pay for service with a Minor League club and service with a Major League Club.

(4) “Imputed Loan Interest Rate” for each Contract Year shall mean the annual “Federal mid-term rate” as defined in Section 1274(d) of the Internal Revenue Code for the October preceding that Contract Year.

(5) “Performance Bonus” shall mean a payment to a Player conditioned upon the Player having achieved certain specified levels of activity, provided that such bonuses must be consistent with Major League Rule 3(b).

(6) “Award Bonus” shall mean a payment to a Player conditioned upon the Player having achieved a particular status in connection with a recognized or agreed-upon award or honor.

(7) “Base Salary” shall mean the amount set out in paragraph 2 of a Uniform Player’s Contract for a given championship season or any amount included in a Special Covenant in lieu of inclusion in paragraph 2.

(8) “Guaranteed Year” shall mean any championship season included in a Uniform Player’s Contract for which more than 50% of the Player’s Base Salary is guaranteed by the Contract in the event of termination under paragraph 7(b)(2).

(9) “Tax Threshold” shall be defined as provided in Section B below.

(10) “Actual Club Payroll” shall be defined as provided in Section C below. Each Club’s final Actual Club Payroll for a Contract Year in which the Competitive Balance Tax is applicable shall be calculated on the December 2 following that Contract Year and shall be the exclusive figure used for the purpose of determining whether a Club has exceeded the Tax Threshold.

(11) “Salary” shall be defined as provided in Section E below and shall be attributable to Contract Years as provided in Sections C and E below.

(12) “Benefits” or “Player Benefit Costs” shall be defined as provided in Section D below.

B. Determination of Competitive Balance Tax

(1) Calculation of Tax

A Club with a final Actual Club Payroll that exceeds the Tax Threshold applicable in that Contract Year (“Tax Threshold”) shall be assessed a Competitive Balance Tax on the difference between its final Actual Club Payroll and the Tax Threshold. A Club with a final Actual Club Payroll at or below the Tax Threshold shall incur no Competitive Balance Tax for that Contract Year.

(2) Tax Thresholds

The Tax Threshold shall be \$178 Million in the 2012 Contract Year, \$178 Million in the 2013 Contract Year, \$189 Million in the 2014 Contract Year, \$189 million in the 2015 Contract Year and \$189 Million in the 2016 Contract Year.

(3) Tax Rates

The Competitive Balance Tax rates are provided below.

(a) For a Club that has an Actual Club Payroll above the Tax Threshold in the 2012 Contract Year, the applicable Competitive Balance Tax rate shall be:

- (i) 20% if the Club did not exceed the Tax Threshold in the 2011 Contract Year;
- (ii) 30% if the Club's Competitive Balance Tax rate in the 2011 Contract Year was 22.5%;
- (iii) 40% if the Club's Competitive Balance Tax rate in the 2011 Contract Year was 30%; and
- (iv) 42.5% if the Club's Competitive Balance Tax rate in the 2011 Contract Year was 40%.

(b) For a Club that has an Actual Club Payroll above the Tax Threshold in the 2013, 2014, 2015, or 2016 Contract Year, the applicable Competitive Balance Tax rate shall be:

- (i) 17.5% if the Club did not exceed the Tax Threshold in the preceding Contract Year;
- (ii) 30% if the Club's Competitive Balance Tax rate in the preceding Contract Year was 17.5% or 20%;
- (iii) 40% if the Club's Competitive Balance Tax rate in the preceding Contract Year was 30%; and
- (iv) 50% if the Club's Competitive Balance Tax rate in the preceding Contract Year was 40, 42.5%, or 50%.

(4) Collection of Competitive Balance Tax Proceeds

(a) On the December 2 following each Contract Year, the Commissioner's Office shall notify the Association and all Clubs of any amounts owed by any Clubs under the Competitive Balance Tax. Clubs shall make Competitive Balance Tax payments to the Commissioner's Office on or before January 21 of the next calendar year.

(b) Any Club that does not remit the full amount of the Competitive Balance Tax due by that date shall have its next Major League Central Fund ("Central Fund") distribution and subsequent distribu-

tions, each net of any debt service obligation under the industry credit facility, reduced by up to 50% until such obligation is satisfied. For purposes of this subparagraph (b) only, royalty payments from Major League Baseball Properties shall not be considered part of a Club's Central Fund distribution. Beginning with the day following the payment date specified in subparagraph (a) above, interest shall be charged on any unpaid Competitive Balance Tax amounts at the Imputed Loan Interest Rate for the then current Contract Year. Any interest collected pursuant to the preceding sentence shall be for the benefit of and made available to the Industry Growth Fund and used for the purposes set out in Article XXV.

C. Determination of Actual Club Payroll

(1) *Definition of Actual Club Payroll*

“Actual Club Payroll” of a Club in a Contract Year shall be the sum of:

- (a) a 1/30th share of Player Benefit Costs (and a similar pro rata share if the number of Major League Clubs changes), as determined in Section D below;
- (b) the sum of the yearly Salaries (as determined in accordance with Section E below and as allocated among Clubs in accordance with this Section C) attributable to that Contract Year of all Players under a Uniform Player’s Contract with the Club for that Contract Year (including optionally assigned contracts); and
- (c) any other amount includable in or deductible from Actual Club Payroll as a result of the operation of Section C(2)(f) below or as a result of any Club, any Player and/or either of the Parties hereto having engaged in a transaction contrary to Section G(1) below or as a result of an award by the Arbitration Panel under Article XI and/or Section F below.

(2) *Rules for Allocation of Salary*

(a) General Rule

If a Player remains on a Major League Club’s Active List (as defined in Article XXI) for an entire championship season, then

all of the Salary attributable to the Contract Year in which that championship season falls shall be allocated to the Club's Actual Club Payroll in that Contract Year.

(b) Assignment of Contract

(i) General Rule: If a Uniform Player's Contract is assigned by any means to another Major League Club, the assignor Club shall be allocated Salary through the date of the assignment and Salary shall begin being allocated to the assignee Club on the following day, regardless of the Player's reporting date.

(ii) Bonuses: Salary arising from Performance Bonuses earned after the assignment and within the Contract Year of the assignment shall be allocated between the assignor and assignee Clubs in proportion to the total number of relevant events attained during the Contract Year with each Club. Salary arising from Award Bonuses earned after the assignment and within the Contract Year of the assignment shall be allocated to the Actual Club Payrolls of the assignor and assignee Clubs pursuant to Section C(2)(b)(i) above. Salary arising from assignment bonuses earned upon or after the assignment and within the Contract Year of the assignment shall be included in the Actual Club Payroll of the Club(s) that pay(s) it during the Contract Year in which it is paid. All bonuses earned after the Contract Year of the assignment shall be included in the Actual Club Payroll of the assignee Club, provided that the contract is not assigned again.

(iii) Cash Consideration: An assignor Club that pays cash consideration in lieu of assigning an unnamed player or to defray all or part of the salary obligation of the assignee Club for an assigned Player shall include such cash consideration in its Actual Club Payroll in the Contract Year in which the cash consideration is paid; provided, however, that any such cash consideration included as part of a Player assignment made during the 2016 Contract Year but not payable until the 2017 Contract Year shall be included in the assignor Club's 2016 Actual Club Payroll to the extent that the assignee Club does not have equivalent salary obligations under Player contracts obtained in the assignment in the 2017 championship season or beyond. Any cash consideration that is, pursuant to the preceding sentence, included in the Actual Club Payroll of the payor Club shall be subtracted from the Actual

Club Payroll of the payee Club in the same Contract Year in which it is added to the payor Club's Actual Club Payroll.

(iv) Salary Increase Upon Assignment: If a Uniform Player's Contract provides for an increase in Salary upon its assignment to another Major League Club, such increase shall be included in a Player's Salary upon assignment and attributed to the Contract Year (or Years) in which it is to be paid. Any such increase in Salary attributable to the Contract Year during which the assignment occurred shall be allocated to the Actual Club Payrolls of the assignor and assignee Clubs pursuant to Section C(2)(b)(ii) above. Any such increase in Salary attributable to a later Contract Year shall be allocated exclusively to the assignee Club.

(c) Contract Signed After Opening Day

If a Player first enters into a Uniform Player's Contract with a Club after opening day of the championship season with a Base Salary payable over a full championship season, the Club shall include in Actual Club Payroll such pro rata portion of the Base Salary attributable to that Contract Year as the number of days that the Player was on the Club's Active List (as defined in Article XXI) bears to the number of days in the championship season. If such a Player has a Base Salary expressly payable only over the portion of the championship season that the Player is on the Club's Active List, the Club shall include in Actual Club Payroll the entire Base Salary attributable to that Contract Year.

(d) Termination of Contract

(i) If a Club terminates a Uniform Player's Contract that covers a single championship season, the Club shall include in its Actual Club Payroll for the Contract Year in which that season falls any Salary paid to that Player, either under this Agreement or a Special Covenant to the Contract (subject to any offset called for by this Agreement or a Special Covenant).

(ii) If a Club terminates a multi-year Uniform Player's Contract while it remains obligated to pay Salary under either this Agreement or a Special Covenant to the Contract, Salary shall be allocated to that Club for each Contract Year during which its obligation continues. Salary shall be attributed to each such Contract Year pursuant to this Article XXIII (subject to any offset

called for by this Agreement or a Special Covenant). This attribution shall apply even if the Club pays the Salary in advance.

(e) Split Contracts

The earnings of a Player signatory to a Split Contract shall be included in Actual Club Payroll at the total amount of the Player's actual baseball earnings under that Contract from Major League Clubs (and from Minor League clubs, if any) for that Contract Year, subject to subparagraph (f) below.

(f) Outright Assignment to a Minor League club

If a Uniform Player's Contract is assigned outright to a Minor League club, the Club shall exclude from its Actual Club Payroll such pro rata portion of the Salary attributable to that Contract Year as the number of days during the championship season that the Player was off the Major League Club's 40-man roster bears to the number of days in the championship season; provided, however, that the above exclusion shall not apply to: (i) the day on which a Club outrights a Player for assignment; (ii) the days in which a Player is in the status of a "designated player" under Major League Rule 2(k); or (iii) the Salary of any Player whose Contract has been assigned outright to a Minor League club for the purpose of defeating or circumventing the intention of the Parties as reflected by this Article XXIII.

D. Benefits or Player Benefit Costs

(1) *Definition*

The Clubs' Benefits or Player Benefit Costs for a particular Contract Year shall include the sums paid (or to be paid on a proper accrual basis for that Contract Year) by or on behalf of the Clubs for, to, or on behalf of present Players (and former Players when expressly noted) for:

(a) contributions to the Major League Baseball Players Benefit Plan, in the full amounts called for by paragraph 5 of the Agreement Re: Major League Baseball Players Benefit Plan (including contributions made on behalf of former Players and others but excluding contributions made from Competitive Balance Tax proceeds);

- (b) workers' compensation premiums, payroll, unemployment compensation and social security taxes (including payments made on behalf of a Player released from a Contract that covers that Contract Year, provided that the Player's Salary is included in a Club's final Actual Club Payroll for that Contract Year);
- (c) spring training allowances (as described in Article VII(C)), championship season meal and tip allowances (as described in Article VII(B)), All-Star Game expenses (as described in Article VII(E)) and "in-season supplemental allowances" (as described in Article VII(F));
- (d) moving and traveling expenses (as described in Article VIII), including payments made to former Players in connection with relocations resulting from assignments while they were active Players;
- (e) contributions (in their entirety) to the post-season Players' pool as described in Article X;
- (f) the College Scholarship Plan (including payments made on behalf of former players); and
- (g) player medical costs (e.g., fees to doctors, hospitals, and other health care providers, and the drugs and other medical supplies for the treatment of Player injuries), but not including salaries of trainers or other Club personnel, or the costs of Club medical or training equipment, or any costs reimbursed or paid for through workers' compensation or any other medical insurance. Notwithstanding the foregoing, the amount of Player medical costs included in "Benefits" may not increase by more than 10% each Contract Year beginning with the increase from the 2013 to the 2014 Contract Year.

For each of the 2012 and 2013 Contract Years, the Clubs' Benefits or Player Benefit Costs shall be \$323,987,700 (\$10,799,590 per Club).

(2) Limitation on Annual Increase

Notwithstanding the foregoing, beginning with the increase from the 2013 to the 2014 Contract Year, the annual rate of increase for

the Clubs' Benefits or Player Benefit Costs in any Contract Year may not exceed the annual rate of increase over that year in the combined "sum of the yearly Salaries" (described in Section C(1)(b) above) for all Clubs.

E. Determination of Salary

The determination of a Player's Salary for a particular Contract Year for the purposes of interpretation and application of this Article XXIII only shall be in accordance with the following rules.

(1) General Rule

"Salary" shall mean the value of the total compensation (cash or otherwise) paid to a Player pursuant to the terms of a Uniform Player's Contract, including any guarantee by the Club of payments by third parties, for a particular championship season. Salary shall include, without limitation, the value of non-cash compensation such as the provision of personal translators, personal massage therapists, and airfare and tickets exceeding normal Club allotments. Consistent with the rules set out below, all compensation paid to a Player pursuant to the terms of a Uniform Player's Contract shall be attributable to the Contract Year(s) in which the Player is required under the Contract to render services to a Club as a baseball player, regardless of how the compensation is characterized under the Contract.

(2) Average Annual Value of Guaranteed Multi-Year Contracts

A Uniform Player's Contract with a term of more than one (1) championship season ("Multi-Year Contract") shall be deemed to have a Salary in each Guaranteed Year equal to the "Average Annual Value" of the Contract (plus any bonuses subsequently included by operation of Section E(4) below). "Average Annual Value" shall be calculated as follows: the sum of (a) the Base Salary in each Guaranteed Year plus (b) any portion of a Signing Bonus (or any other payment that this Article deems to be a Signing Bonus) attributed to a Guaranteed Year in accordance with Section E(3) below plus (c) any deferred compensation or annuity compensation costs attributed to a Guaranteed Year in accordance with Section E(6) below shall be divided by the number of Guaranteed Years.

(3) Signing Bonuses

Any Signing Bonus in a Uniform Player's Contract (and any other payment this Article deems to be a Signing Bonus) shall be attributed, pro rata, over the Guaranteed Years of the Contract. If a Contract contains no Guaranteed Years, the Signing Bonus shall be attributed in full to the first year of the Contract.

(4) Performance, Award and Other Bonuses

(a) Any amounts that are actually earned by a Player as Performance Bonuses, Award Bonuses or any other bonuses properly included in a Uniform Player's Contract shall be included as part of the Player's Salary in the Contract Year in which the service or performance giving rise to the Bonus was provided. Potential bonuses shall not be included in the Average Annual Value calculation made pursuant to Section E(2) above.

(b) A Special Covenant in a Uniform Player's Contract that provides that Player performance or achievement in one year of the Contract will increase the Base Salary in other year(s) of the Contract shall not be considered in the determination of Salary until the triggering event occurs (other than, if applicable, as a "potential bonus"), unless it is determined by the Arbitration Panel that the Special Covenant was designed to defeat or circumvent the intention of the Parties as reflected in this Article XXIII. As long as such a finding is not made, the additional Base Salary triggered by the Special Covenant shall count as part of the Player's Salary in the Contract Year(s) to which it is attributed by the Contract once the triggering event has occurred. Multi-Year Contracts shall not be recalculated on an Average Annual Value basis once the triggering event has occurred; the additional Base Salary shall be added to the Salary as originally calculated for the Contract Year in question.

(5) Option Contracts

(a) Definitions

(i) A "Club Option Year" shall mean a championship season covered by a Uniform Player's Contract in which the amount payable pursuant to paragraph 2 of the Contract becomes due or guaranteed at the election of the Club or by reason of specified performance by a Player. Club Option Years shall not be consid-

ered “Guaranteed Years.” In addition, any other championship season included in a Multi-Year Contract that is not a Guaranteed Year shall be treated as a Club Option Year.

(ii) A “Player Option Year” shall mean a championship season covered by a Uniform Player’s Contract: (A) in which the amount payable pursuant to paragraph 2 of the Contract becomes due or guaranteed at the election of the Player; or (B) that can be nullified by a Player for a reason other than those set forth in paragraph 7 of the Contract. A Player Option Year shall be considered a “Guaranteed Year” if, pursuant to the Player’s right to elect or subject to his right to nullify, the terms of that year are guaranteed within the definition in Section A(8); provided, however, that a Player Option Year shall not be considered a Guaranteed Year if the payment the Player is to receive if he declines to exercise his option or nullifies the championship season is more than 50% of the Base Salary payable for that championship season.

(iii) The Parties recognize that Uniform Player’s Contracts have covered and may cover championship seasons that could be characterized under the above definitions as both “Club Option Years” and “Player Option Years” (hereinafter referred to as a “Mutual Option Year”). Salaries under any such Contract that cannot extend beyond the 2016 Contract Year shall be calculated as if the Mutual Option Year is a Player Option Year. Salaries under any such Contract that can extend beyond the 2016 Contract Year shall be calculated as if the Mutual Option Year is a Player Option Year unless, pursuant to subparagraph (c)(ii) below, the “Club Option Year Value” exceeds 122.5% of the “Highest Guaranteed Year Value” prior to the Mutual Option Year, or its substitute. In the latter event, Salaries under the Contract shall be calculated as if the Mutual Option Year is a Club Option Year and the calculation called for in subparagraph (c)(ii)(B) below shall be made and the entire Signing Bonus shall be allocated over the Guaranteed Years prior to the Mutual Option Year.

(b) Option Buyouts

(i) General Rule

(A) If a Uniform Player’s Contract contains a Club Option Year or a Player Option Year that is not deemed a Guaranteed

Year pursuant to subparagraph (a)(ii) above and the Player is to receive consideration upon the non-exercise of that option or the nullification of a championship season (“Option Buyout”), then such Option Buyout shall be deemed a Signing Bonus. If a Uniform Player’s Contract contains an Option Buyout for a Club decision not to exercise a Club Option Year and an Option Buyout for a Player decision not to exercise a Player Option Year (or to nullify a championship season) that is deemed a Signing Bonus pursuant to this subparagraph (b)(i), then the higher Option Buyout payment shall be deemed the Signing Bonus.

(B) If a Contract contains an Option Buyout relating to more than one Option Year, then only the Option Buyout that relates to the earliest Option Year in the Contract shall be deemed a Signing Bonus. If, however, the Player ultimately receives an Option Buyout that relates to an Option Year other than the earliest Option Year, that Option Buyout shall be included in Salary in the Contract Year covered by the option that was not exercised.

(C) If a Contract contains an earned bonus that increases an Option Buyout, the Bonus shall be included in the Salary attributed to the Contract Year immediately preceding the relevant Option Year.

(ii) Potential Adjustment to Payroll or Tax Refund

Notwithstanding subparagraph (b)(i) above, if the Player ultimately does not receive the Option Buyout, then for the Contract Year covered by that option, no portion of the Buyout shall be included in any Club’s final Actual Club Payroll. In addition, any Club whose final Actual Club Payroll in a previous Contract Year had included that Buyout (or a portion thereof) may elect to:

(A) receive a deduction (in the full amount of the Buyout included in previous Contract Years) in its final Actual Club Payroll in the Contract Year covered by that option; or

(B) receive a distribution from the \$2.7 million in Competitive Balance Tax proceeds collected pursuant to Article XXIII(H)(1) of the 2006 Basic Agreement in the amount of any Competitive Balance Tax paid by that Club for any Contract

Year as a result of the previous inclusion of the Buyout in the Club's final Actual Club Payroll. If distributions paid to Clubs under this subparagraph ii(B) exhaust the proceeds described in Article XXIII(H)(1) of the 2006 Basic Agreement, additional distributions shall be paid to Clubs from the Competitive Balance Tax proceeds described in Section H below. Except as required by the parties' other related commitments, such additional distributions will be deducted from each use described in Section H(1)-(4) in proportion to each use's share of total Competitive Balance Tax proceeds for that Contract Year.

(c) Club Option Years

(i) General Rule. If a Uniform Player's Contract covers one or more seasons that are Club Option Years, the Player's Salary for the championship seasons that are Club Option Years, if exercised, shall be the total of the Base Salary and any bonuses included by operation of Section E(4) above.

(ii) Contracts Extending Into 2017 or Beyond. This subparagraph (ii) shall apply only to a Uniform Player's Contract that includes one or more Club Option Years that fall in the 2017 Contract Year or later.

(A) Special Definitions. For the purposes of this subparagraph (ii) only, the following definitions shall apply:

“Club Option Year Value” shall be the Salary attributed to a Club Option Year under subparagraph (i) above, plus any potential bonuses (other than Award Bonuses) attributable to that Year, minus any Option Buyout that relates to that Club Option Year.

“Highest Guaranteed Year Value” shall be the sum of the Base Salary plus any attributed Signing Bonus, deferred compensation or annuity costs, plus any potential bonuses (other than Award Bonuses) in the Guaranteed Year of the Contract with the highest such sum; provided, however, that if the Highest Guaranteed Year Value is itself greater than 127.5% of the Average Annual Value of the Contract, then 127.5% of the Average Annual Value of the Contract shall be substituted for the Highest Guaranteed Year Value in the calculation called for by subparagraph (ii)(B) below.

(B) Rule. If the Club Option Year Value exceeds 122.5% of the Highest Guaranteed Year Value, then the difference between the Club Option Year Value and 122.5% of the Highest Guaranteed Year Value shall be treated as a Signing Bonus in the calculation of the Contract's Average Annual Value.

(C) Potential Tax Refund. If a Club Option Year in a Uniform Player's Contract subject to this subparagraph (ii) is not exercised, any Club (including a Club to which the Contract was assigned) that paid Competitive Balance Tax in a Contract Year in which that Club's final Actual Club Payroll included an amount attributed under subparagraph (ii) shall receive a distribution from the Competitive Balance Tax proceeds as described in subparagraph (b)(ii)(B) above.

(d) Player Option Years

(i) If a Player fails to exercise or chooses to nullify a Player Option Year that is deemed a Guaranteed Year pursuant to Section E(5)(a)(ii) above, the difference between the amount paid to the Player under his Contract (including any Option Buyout payment) and the amount that has been attributed to Actual Club Payroll of a Club under that Contract shall be added to (or subtracted from) Actual Club Payroll in the Contract Year in which the Player Option Year falls. If the Contract has been assigned, the adjustment called for in the preceding sentence shall be made to the Actual Club Payroll(s) of the Club(s) to which Salary under that Contract had been attributed in any Contract Year. If a Player exercises or fails to nullify a Player Option Year that was not deemed a Guaranteed Year, the Player's Salary in the Player Option Year shall be the difference between the Salary provided in the Player Option Year (including any earned bonuses) and the Option Buyout that had been attributed, in all previous Contract Years, to a Club pursuant to Section E(5)(b)(i) above.

(ii) If a Player Option Year falls in the 2017 Contract Year or later, and the Base Salary (plus any attributed Signing Bonus, deferred compensation or annuity costs) in the Player Option Year ("Player Option Year Value") is less than 80% of the Base Salary (plus any attributed Signing Bonus, deferred compensa-

tion or annuity costs) in the Guaranteed Year with the smallest such figure before the first such Player Option Year (80% Figure), then the difference between the 80% Figure and the Player Option Year Value shall be allocated pro rata across the Guaranteed Years preceding the first such Player Option Year; provided, however, that if the 80% Figure is itself less than 75% of the Average Annual Value of the Contract (calculated as if the Player Option Year was not a Guaranteed Year), then the 80% Figure shall instead be 75% of the Average Annual Value calculation set out immediately above.

(iii) Potential Tax Refund. If a Player exercises or chooses not to nullify a Player Option Year subject to subparagraph (d)(ii) above, any Club (including a Club to which the Contract was assigned) that paid Competitive Balance Tax in any Contract Year in which that Club's final Actual Club Payroll included an amount attributed under subparagraph (ii) above shall receive a distribution from the Competitive Balance Tax proceeds as described in subparagraph (b)(ii)(B) above.

(6) *Deferred Compensation*

(a) Definition

“Deferred Compensation” shall mean any Salary payable to a Player pursuant to a Uniform Player’s Contract in a Contract Year after the last championship season for which the Contract requires services as a baseball player to be rendered.

(b) Attribution

(i) Deferred Compensation shall be included in a Player’s Salary as if paid in the championship season to which it is attributed under a Uniform Player’s Contract. If a Contract does not attribute Deferred Compensation, the Contract shall be treated as if the Deferred Compensation was attributed equally to each of the Guaranteed Years in the Contract.

(ii) If the Deferred Compensation is to be paid with interest at an effective rate that is within one and one-half percentage points of the Imputed Loan Interest Rate for the first Contract Year covered by the Contract, then the Deferred Compensation shall be

included at its stated value. Otherwise, the Deferred Compensation shall be included at its present value in the season to which it is attributed, said present value to be calculated by increasing any such payments by the Contract's stated interest rate, if any, and then reducing such payments back to their present value by applying as a discount rate the Imputed Loan Interest Rate for the first Contract Year covered by the Contract. If the terms of a Contract are confirmed by the Association and the Office of the Commissioner before the Imputed Loan Interest Rate for the first Contract Year covered by the contract is available, the Imputed Loan Interest Rate shall be the annual "Federal mid-term rate" as defined in section 1274(d) of the Internal Revenue Code for the month preceding the month in which terms are confirmed. If a Uniform Player's Contract uses the date or year in which a Player retires as a triggering event for the commencement of payment of the Deferred Compensation, it will be assumed for purposes of calculating Salary under this Article only that the Player retires on the day that he reaches age 40 or at the end of the Contract, whichever is later.

(c) An "Annuity Compensation Arrangement" is an agreement in a Uniform Player's Contract whereby the Club promises to purchase an annuity to pay the Player after he is no longer required to render services as a baseball player under such Uniform Player's Contract.

(i) The portion of the cost of the annuity to be paid by the Club while the Player is required to render services as a baseball player under the Contract shall be included as Salary for the Contract Year in which such cost is to be paid.

(ii) The portion of the cost of the annuity instrument to be paid by the Club after the Player is no longer required to render services as a baseball player under such Contract, if any, shall be treated as Deferred Compensation attributable pro rata over the Guaranteed Years of the Contract at its present value as calculated pursuant to paragraph (6)(b) above. Any compensation that the Player is scheduled to receive pursuant to such Annuity Compensation Arrangement shall not be considered Salary or Deferred Compensation.

(7) Loans to Players

For purposes of this Article XXIII, the following rules shall apply to any loans made by a Club to or at the direction of a Player.

(a) If any such loan bears no interest rate or an effective interest rate more than one and one-half percentage points below the Imputed Loan Interest Rate, then an amount of "Imputed Income" as calculated pursuant to subparagraph (b) below shall be included in the Player's Salary for each Contract Year that the loan remains unpaid. For any other loan, there shall be no "Imputed Income" (as defined in subparagraph (b) below) included in the Player's Salary.

(b) "Imputed Income" for each Contract Year covered by a Uniform Player's Contract shall be calculated by multiplying the difference between the Imputed Loan Interest Rate and the stated rate, if any, by the outstanding balance of the loan.

(c) If a Club has made a loan to a Player and forgives part or all of the loan, the forgiven loan amount shall be counted as Salary in the Contract Year in which the loan is forgiven; provided, however, that if a loan that is made after October 23, 2006 is forgiven in a Contract Year in which there is no Competitive Balance Tax, and if the Club forgiving the loan would have been assessed a Competitive Balance Tax for any Contract Year had the loan, by itself or in combination with other loans, been considered Salary from the outset, then the forgiveness of the loan shall be presumed to be an action designed to defeat or circumvent the Competitive Balance Tax. Unless the Club that forgave such a loan can rebut the foregoing presumption, the Club shall be required to pay into the Central Fund an amount equal to the Competitive Balance Tax(es) that the Club would have paid (based on the Tax Thresholds that were in effect when final Actual Club Payrolls were calculated for the Contract Year(s) in which a Competitive Balance Tax would have been paid) had the forgiven loan (or portion thereof) originally been considered Salary.

F. Association's Rights

(1) *Actual Club Payroll Information*

(a) In each Contract Year in which the Competitive Balance Tax is operational, the Office of the Commissioner shall provide the Association with two “Preliminary Actual Club Payroll Compilations,” the first of which shall be provided within 14 days following opening day of that championship season and the second of which shall be provided within 14 days following that season’s All-Star Game. Each Preliminary Actual Club Payroll Compilation shall consist of a list of each Club’s Actual Club Payroll, broken down by Player, and an estimate of Player Benefit Costs for that Contract Year, as of opening day and the All-Star Game, respectively. In addition to the above, the Association may, from time to time, request the Office of the Commissioner to produce a Preliminary Actual Club Payroll Compilation or any portion thereof (including the Office of the Commissioner evaluation of any Uniform Player’s Contract, the terms of which have been confirmed by the Association and the Office of the Commissioner) and the Office of the Commissioner shall provide such information within 14 days of each such request, provided that the Association will not make an unreasonable number of requests in any Contract Year.

(b) Upon the presentation of any evidence that a Player and a Club are prepared to agree to a Uniform Player’s Contract, either Party to this Agreement (i.e., the Association or Office of the Commissioner) may initiate a process whereby the Parties prepare and exchange evaluations of that prospective Contract for Competitive Balance Tax purposes. The evaluations shall be exchanged within 48 hours of the initiation of the process by either Party.

(c) The Office of the Commissioner shall provide the Association with a list of the final Actual Club Payrolls, broken down by Player, and Player Benefit Costs for that Contract Year and the Competitive Balance Tax assessed against each Club (“final Actual Club Payroll Compilation”), if any, for the just completed championship season on or before the December 2 following each championship season covered by this Agreement in which the Competitive Balance Tax is applicable.

(2) Association's Rights to Challenge

(a) Information Provided Pursuant to Section F(1)(a)

The Association shall have the right to question any calculation included in any information provided pursuant to Section F(1)(a) above and the Office of the Commissioner shall provide an answer to any such question within 10 days. If thereafter the Association disagrees with any calculation, it may file a challenge in the Grievance Procedure in Article XI at any time before the next November 30. At the request of either Party, any such Grievance shall be handled on an expedited basis, with documents being exchanged within 10 days of the filing of the Grievance, a hearing commencing within 15 days of the filing of the Grievance and the Panel issuing an Award (with opinion to follow, if necessary) no later than 15 days after the commencement of the hearing. Failure by the Association to challenge any such calculation shall not preclude the Association from challenging that calculation if contained in a final Actual Club Payroll Compilation nor shall such failure be of any relevance in such a challenge.

(b) Information Provided Pursuant to Section F(1)(b)

The Association shall have the right to question any calculation included in any information exchanged pursuant to Section F(1)(b) above and the Office of the Commissioner shall provide an answer to any such question within 24 hours. If thereafter the Association disagrees with the calculation put forward by the Office of the Commissioner, it may file a challenge in the Grievance Procedure in Article XI within three business days. Any such Grievance shall be handled on an expedited basis, with documents being exchanged as soon as possible, a hearing commencing within three business days of the filing of the Grievance (or as soon thereafter as is practicable) and the Panel issuing an Award (with opinion to follow, if necessary) no later than three business days after the commencement of the hearing. Failure by the Association to challenge any such calculation shall not preclude the Association from challenging that calculation if contained in a final Actual Club Payroll Compilation, nor shall such failure be of any relevance in such a challenge. Failure by the Office of the Commissioner to raise or pursue with the Arbitration Panel any disagreement with the Association concerning infor-

mation exchanged pursuant to Section F(1)(b) above shall be irrelevant to any challenge by the Association to any calculation.

(c) Information Provided Pursuant to Section F(1)(c)

The Association may challenge any calculation included in information provided pursuant to Section F(1)(c) (the final Actual Club Payroll Compilation) by filing a Grievance pursuant to Article XI. If the Association disagrees with any calculation that affects the Competitive Balance Taxes assessed for that Contract Year, it shall file a Grievance within 45 days after it has received that Year's final Actual Club Payroll Compilation and the notice of assessed Competitive Balance Taxes (see Section B(4)(a)). Failure by the Association to challenge any calculation included in a final Actual Club Payroll Compilation shall not preclude the Association from challenging that calculation if contained in a final Actual Club Payroll Compilation for a later Contract Year, nor shall such failure be of any relevance in such a challenge. Such a challenge, however, will not result in changes to Competitive Balance Tax amounts assessed for prior Contract Years. Any Grievance challenging a final Actual Club Payroll Compilation shall be handled by the Parties on an expedited basis with documents being exchanged within 10 days of the filing of the Grievance, a hearing commencing within 15 days of the filing of the Grievance and the Panel issuing an Award (with opinion to follow, if necessary) no later than 15 days after the commencement of the hearing. The filing of a Grievance by the Association shall not preclude the Office of the Commissioner from assessing and collecting the Competitive Balance Tax in accordance with Section B and using Competitive Balance Tax proceeds in accordance with Section H, unless the Chair of the Arbitration Panel, upon application by the Association, provides otherwise. Unless the Chair provides otherwise, any adjustments to the Competitive Balance Tax assessments and distributions made pursuant to this Section F necessitated by the resolution of an Association Grievance shall be made by the Office of the Commissioner once the Grievance is finally resolved.

(d) Relationship to Grievance Procedure

(i) Nothing in this Section F is intended to affect the application of the Grievance Procedure to any other complaint involv-

ing the existence or interpretation of, or compliance with, this Article XXIII or any provision therein. Moreover, unless specifically modified by this Section F, it is intended that the provisions of Article XI will govern the resolution of disputes under this Article XXIII.

(ii) It is agreed that the existence of the expedited procedures in this Section F will not prohibit either Party from arguing that another dispute subject to Article XI should be heard prior to any dispute related to this Article XXIII.

G. Other Undertakings

(1) Neither the Parties hereto nor any Club or any Player shall enter into any agreement, Uniform Player's Contract or other transaction, that includes any terms designed to defeat or circumvent the intention of the Parties as reflected by this Article XXIII.

(2) At the time a Club and a Player enter into any Uniform Player's Contract, or at the time of the assignment of any Uniform Player's Contract, there shall be no unreported understandings or agreements of any kind between the Player and the Club. No other understandings or agreements, whether made before or after the signing of the Uniform Player's Contract or its assignment, shall be valid, recognizable or of any effect whatsoever, unless expressly set forth in a new or supplemental Uniform Player's Contract executed by the Player and the Club and complying with this Agreement and the Major League Rules. (See "Supplemental Agreements" paragraph of the Uniform Player's Contract.)

(3) A Club and a Player currently signatory to a Uniform Player's Contract may agree to modify or amend their contractual relationship by entering into a new Uniform Player's Contract that covers the next succeeding championship season if the following conditions are satisfied:

(i) If the new Uniform Player's Contract is signed between the last day of one championship season and the first day of the next championship season, it must begin no later than the championship season following the next succeeding championship season; and if it does not begin with the next championship season, it

cannot modify the terms of the Uniform Player's Contract covering the next succeeding championship season.

(ii) If the new Uniform Player's Contract is signed during the championship season, it must begin with the next succeeding championship season and cannot modify the terms of the Uniform Player's Contract covering the then current championship season.

The Average Annual Value of such new Contract shall be increased or decreased, whichever is applicable and beginning with the new Contract's first Contract Year, by the figure arrived at by subtracting the amount of Salary that has been attributed under the rules of this Article XXIII to a Club in previous Contract Years under the Contract that is being replaced from the amount that was actually paid to the Player by a Club in those Contract Years. If a new Contract is signed during a championship season to commence with the next championship season, the calculation called for in this paragraph (3) shall be performed at the end of the then current championship season. Except for the limited circumstances described in this paragraph (3), no Player may be signatory to more than one unexpired Uniform Player's Contract at any time.

H. Uses of Competitive Balance Tax Proceeds

Competitive Balance Tax proceeds collected pursuant to Section B(4) above shall be used as follows.

(1) The first \$2,375,400 of proceeds collected for each Contract Year shall be used to fund benefits to Players, as provided in the Major League Baseball Players Benefit Plan Agreements.

(2) 50% of the remaining proceeds collected for each Contract Year, with accrued interest, shall be used to fund benefits to Players, as provided in the Major League Baseball Players Benefit Plan Agreements.

(3) 25% of the remaining proceeds collected for each Contract Year shall be contributed to the Industry Growth Fund and, with accrued interest, used for the purposes set out in Article XXV.

(4) 25% of the remaining proceeds collected for each Contract Year, with accrued interest, shall be used to defray the Clubs' funding obligations arising from the Major League Baseball Players Benefit Plan Agreements.

I. Sunset

There shall be no Competitive Balance Tax in place following the 2016 championship season, and the Parties expressly acknowledge and agree that the provisions of this Article XXIII (except those concerning the collection and distribution of the Competitive Balance Tax proceeds for the 2016 Contract Year) shall not survive the expiration of this Agreement.

ARTICLE XXIV—The Revenue Sharing Plan

A. Definitions

(1) "Financial Information Questionnaire," or "FIQ," shall mean the questionnaire completed by each of the Major League Clubs and submitted, together with audited financial statements, on an annual basis for each revenue sharing year to the Office of the Commissioner. From time to time, Clubs are also required by the Office of the Commissioner to supplement the FIQ by submitting additional information in a "Supplementary Information Questionnaire" ("SIQ").

(2) A "Revenue Sharing Year" shall mean the fiscal year of the championship season that falls in that year (and shall be referred to, for any specific Revenue Sharing Year under this Article, as "2012," "2013," "2014," etc., or the "2012 Revenue Sharing Year," the "2013 Revenue Sharing Year," etc.).

(3) "Defined Gross Revenue" shall mean the aggregate operating revenues from baseball operations received, or to be received on an accrual basis, as reported by each Club on an annual basis in the Club's FIQ. "Baseball Operations" shall mean all activities of a Club that generate revenue, except those wholly unrelated to the business of Major League Baseball. Baseball Operations shall include (by way of example, but not by way of limitation):

(a) an activity that could be conducted by a non-Club entity but which is conducted by a Club because its affiliation or con-

nection with Major League Baseball increases the activity's appeal; and

(b) an activity from which revenue or value is received as a result of a decision or agreement to forego what otherwise would be Defined Gross Revenue.

(4) "Central Revenue" shall mean all of the centrally-generated operating revenues of the Major League Clubs that are administered by the Office of the Commissioner or central baseball including, but not limited to, revenues from national and international broadcasting agreements (television, cable, radio and Internet), Major League Baseball Properties Inc., Baseball Television, Inc., Major League Baseball Enterprises, Major League Baseball Advanced Media, Inc., The MLB Network, LLC, the Copyright Arbitration Royalty Panel, superstation agreements between the Commissioner's Office and the Clubs whose games are transmitted on a distant signal ("Superstation Agreements"), the All-Star Game and national marketing and licensing.

(5) "Local Revenue" shall mean a Club's Defined Gross Revenue less its share of Central Revenue.

(6) "Actual Stadium Expenses" shall mean the "Stadium Operations Expenses" of each Club, as reported on an annual basis in the Club's FIQ.

(7) "Net Local Revenue" shall mean a Club's Local Revenue less its Actual Stadium Expenses.

(8) "Qualified Broadcast Revenue Increase" shall mean: (a) an increase in broadcast revenue that is equal to or greater than 10% of a Club's prior-year broadcast revenue as included in its Net Local Revenue (Part II, Section A of the FIQ); and (b) is attributable to a new, amended, or revised contractual agreement (whether executed or not), or to a related party adjustment of its Net Local Revenue, that was not reflected in the Club's projected 2013 Net Local Revenue that was used to calculate its Performance Factor as set forth in Attachment 26.

(9) "Revenue Sharing Plan" or "Plan" shall mean the local revenue sharing agreement set forth in this Article XXIV and it shall consist of a Base Plan, a Supplemental Plan and the Commissioner's Discretionary Fund.

(10) The “Base Plan” shall be a 34% straight pool plan. The amount of net payment or net receipt under the Base Plan for each Major League Club shall be determined as follows: Each Club contributes 34% of its Net Local Revenue from the prior Revenue Sharing Year, net of postseason revenue (line 17 of the FIQ), to a putative pool; that pool is then divided equally among all Clubs, with the difference between each Club’s payment into the putative pool and its receipt therefrom producing the net payment or net receipt for that Club. For purposes of the Base Plan in the 2012 Revenue Sharing Year only, the Miami Marlins’ Net Local Revenue will be \$100 million.

(11) Those Clubs that receive net receipts in a given Revenue Sharing Year under the Base Plan shall be referred to for that year as “Base Plan Payee Clubs.” Those Clubs that make net payments in a given Revenue Sharing Year under the Base Plan shall be referred to for that year as “Base Plan Payor Clubs.” Clubs that pay more than they receive under the combination of the Base Plan and Supplemental Plan shall be referred to as “Net Revenue Sharing Payor Clubs.” Clubs that receive more than they pay under the combination of the Base Plan and Supplemental Plan shall be referred to as “Net Revenue Sharing Payee Clubs.”

(12) “Net Transfer Value” of the Revenue Sharing Plan (prior to the operation of the Commissioner’s Discretionary Fund and the market disqualification mechanism described in subparagraph 15 below) shall mean the aggregate of the net amounts paid under the combination of the Base Plan and the Supplemental Plan by the Net Revenue Sharing Payor Clubs. In each Revenue Sharing Year, the Net Transfer Value of the Revenue Sharing Plan (prior to the operation of the Commissioner’s Discretionary Fund and the market disqualification mechanism described in subparagraph 15 below) shall be the Net Transfer Value that would be produced in that Revenue Sharing Year by a 48% straight pool plan.

(13) The Revenue Sharing Plan shall also have a “Supplemental Plan” which shall be reallocated among the Clubs as follows:

(a) Net Transfer Value. In each Revenue Sharing Year, the Net Transfer Value of the Supplemental Plan shall be the amount necessary, when added to the Net Transfer Value of the Base

Plan, to produce the total Net Transfer Value of the Revenue Sharing Plan described in subparagraph 12 above. Any netting that results from a Club having a different status under the Base Plan and the Supplemental Plan (e.g., Base Plan Payor Club and Recipient Club under the Supplemental Plan) will be resolved by increasing the Net Transfer Value of the Supplemental Plan.

(b) Calculation. In each Revenue Sharing Year, the Supplemental Plan shall be reallocated among the Clubs based on each Club's applicable Performance Factor. The Performance Factors are set forth in Attachment 26 hereto. Clubs with a positive Performance Factor shall be "Contributors" under the Supplemental Plan and Clubs with a negative Performance Factor shall be "Recipients" under the Supplemental Plan.

(i) Contributors. To determine the amount of money to be reallocated from a Contributor, multiply the Net Transfer Value of the Supplemental Plan by that Contributor's Performance Factor applicable in that Revenue Sharing Year.

(ii) Recipients. To determine the amount of money to be distributed to a Recipient, multiply the Net Transfer Value of the Supplemental Plan by that Recipient's Performance Factor applicable in that Revenue Sharing Year.

(c) Adjustment of Performance Factors.

(i) Triggering Events.

A Club's Performance Factor may be adjusted, one time during this Agreement, if a Qualified Broadcast Revenue Increase is reported by the Club to or otherwise becomes known by the Office of the Commissioner by November 15, 2014 ("New Broadcast Adjustment"). Depending on the timing of a Club's Qualified Broadcast Revenue Increase (which timing is described in subparagraph c(ii) below), the adjustment will result in a single new Performance Factor for 2015 and 2016 or a new Performance Factor for 2015 and a new Performance Factor for 2016. In the event a Qualified Broadcast Revenue Increase is reported by the Club or otherwise becomes known after November 15, 2014, the New Broadcast Adjustment will be deferred until the end of this Agreement.

(ii) Adjustment Mechanism.

The Performance Factor of a Club that is subject to a New Broadcast Adjustment will be recalculated by adding a Qualified Broadcast Revenue Increase to the Net Local Revenue that was used to calculate its original Performance Factor as set forth in Attachment 26. If a Club's Qualified Broadcast Revenue Increase occurs in the 2012, 2013, 2014 or 2015 Revenue Sharing Year, the full amount of the Club's Qualified Broadcast Revenue Increase shall be used for the calculation. If, on the other hand, a Club's Qualified Broadcast Revenue Increase is known by November 15, 2014, but does not take effect until the 2016 Revenue Sharing Year, 50% of the amount of the Qualified Broadcast Revenue Increase will be used to calculate its new Performance Factor for 2015 and 2016.

Once the necessary adjustments are made for all Qualified Broadcast Revenue Increases, the Performance Factors for all Clubs shall then be recalculated using a straight pool formula.

(d) Distribution. The Administrator, with each set of estimated payments under the Base Plan (see Section C(2)(a), below), shall disseminate to the Clubs an estimate of the reallocations and distributions to be made under the Supplemental Plan for that Revenue Sharing Year. Reallocations from the Contributors will be made by reducing the post-season distributions of the Major League Central Fund money those Clubs would have received during that Revenue Sharing Year but for the operation of the Supplemental Plan. Recipients shall receive their distributions of the Supplemental Plan on December 1 of each Revenue Sharing Year. Adjustments to these reallocations and distributions caused by changes in any Net Local Revenue figures shall be made at the time of the next distribution under the Base Plan.

(14) The "Commissioner's Discretionary Fund" shall consist of no more than \$15 million in Major League Central Fund money that is raised equally from all Clubs for each Revenue Sharing Year. The Commissioner may make distributions from the Commissioner's Discretionary Fund to a Club or Clubs, in amounts and at times to be determined at the Commissioner's discretion, subject to the following guidelines and procedures.

(a) Guidelines. The Commissioner, in exercising this discretion, shall take no action that is inconsistent with this Agreement. By way of example, but not limitation, the Commissioner may not consider: (i) positions that a Club has taken with respect to any matter before the Clubs, the Executive Council or the Office of the Commissioner; (ii) a Club's contracting decisions with respect to or contemplated offers to free agents or free agent eligible players; or (iii) whether a Club's Actual Club Payroll is or has been above the Competitive Balance Tax threshold established in Article XXIII, above. In addition, the Commissioner shall not, absent agreement of the Parties, distribute more than \$4 million to any individual Club in any Revenue Sharing Year.

(b) Procedures.

(i) Written Requests. Any Club seeking a distribution from the Commissioner's Discretionary Fund shall submit a request in writing to the Commissioner. The written request must include, but need not be limited to: (i) the amount requested; (ii) the use(s) to which the Club intends to put the requested distribution; and (iii) an explanation of how, in the Club's view, the requested distribution should improve the Club's performance on the field. The Commissioner shall respond in writing to each request for a distribution from the Commissioner's Discretionary Fund.

(ii) Consultation with the Association. The Commissioner shall, within 30 days of receiving a request pursuant to subparagraph (b)(i) above, provide to the Association a copy of the written request and his preliminary position on the request (e.g., inclined to grant, might consider if modified, or not inclined to grant). The Commissioner shall, at the Association's request, consult with the Association prior to making any distribution. At the Association's request, the Commissioner shall also consult with the Association regarding a request that he is not inclined to grant in its current form. The Commissioner shall give notice to the Association at least 15 days prior to making any distribution, unless such notice is not possible under the circumstances. In such case, the Commissioner shall provide as much notice to the Association as is possible under these circumstances, but, in no event, shall any

distribution be made without at least five (5) days' written notice to the Association. As part of any such consultation process, the Commissioner shall provide the Association with the documents required to be produced pursuant to Section D(2)(k) of this Article and any document reasonably requested by the Association pursuant to Section D(2).

(iii) Timing of Distributions. The Commissioner shall attempt to make distributions for a given Revenue Sharing Year no later than December 1. The Commissioner may make distributions that are contingent on a Club's satisfaction of specified conditions and may carry over funds to the next Revenue Sharing Year if the money is not distributed because the conditions were not fulfilled.

(15) As set forth in Attachment 26, the top fifteen Clubs by market rank shall be subject to a revenue sharing disqualification in the 2013-16 Revenue Sharing Years. In 2013, market-disqualified Clubs will forfeit 25% of the net revenue sharing proceeds they otherwise would have been entitled to receive under the combination of the Base Plan and the Supplemental Plan. In 2014, market-disqualified Clubs will forfeit 50% of the net revenue sharing proceeds they otherwise would have been entitled to receive under the combination of the Base Plan and the Supplemental Plan. In 2015, market-disqualified Clubs will forfeit 75% of the net revenue sharing proceeds they otherwise would have been entitled to receive under the combination of the Base Plan and the Supplemental Plan. In 2016, market-disqualified Clubs will forfeit 100% of the net revenue sharing proceeds they otherwise would have been entitled to receive under the combination of the Base Plan and the Supplemental Plan. Beginning with (but not before) their first full season of operation in a new stadium, the Oakland Athletics shall be subject to the same-percentage revenue sharing disqualification that applies to other market-disqualified Clubs in the given Revenue Sharing Year.

(a) Distribution of Market Disqualification Proceeds: Except as provided by subparagraph 15(b) below, revenue sharing proceeds forfeited by market-disqualified Clubs by operation of this subparagraph 15 shall be refunded to Net Revenue Sharing Payor Clubs. Net Revenue Sharing Payor Clubs shall receive a share of forfeited proceeds in proportion to their paid share of the Net

Transfer Value for a given Revenue Sharing Year (referred to as the Club's "Market Disqualification Refund").

(b) Forfeiture of Market Disqualification Refund: Notwithstanding subparagraph 15(a) above, a Net Revenue Sharing Payor Club may forfeit some or all of its Market Disqualification Refund in a Revenue Sharing Year if its Actual Club Payroll during the same Contract Year exceeds the Tax Threshold under Article XXIII ("CBT Payor Club"). The percentage of the Market Disqualification Refund that a CBT Payor Club shall forfeit, if any, will be determined by the number of consecutive Contract Years that it been a CBT Payor Club, as set forth below and regardless of whether the consecutive Contract Years fell within the term of this or the immediately preceding Basic Agreement. Net Revenue Sharing Payor Clubs shall receive their full Market Disqualification Refund in any year in which they are not a CBT Payor Club even if they were a CBT Payor Club in prior Contract Years.

(i) Tier 1: Except as provided by subparagraph (vii)(C) below, a Net Revenue Sharing Payor Club shall receive 100% of its Market Disqualification Refund if it is a CBT Payor Club during the Contract Year at issue but was not a CBT Payor Club in the immediately preceding Contract Year.

(ii) Tier 2: A Net Revenue Sharing Payor Club shall forfeit 25% of its Market Disqualification Refund if, during the Contract Year at issue, it is a CBT Payor Club for a second consecutive Contract Year.

(iii) Tier 3: A Net Revenue Sharing Payor Club shall forfeit 50% of its Market Disqualification Refund if, during the Contract Year at issue, it is a CBT Payor Club for a third consecutive Contract Year.

(iv) Tier 4: A Net Revenue Sharing Payor Club shall forfeit 75% of its Market Disqualification Refund if, during the Contract Year at issue, it is a CBT Payor Club for a fourth consecutive Contract Year.

(v) Tier 5: A Net Revenue Sharing Payor Club shall forfeit 100% of its Market Disqualification Refund if, during the Contract Year at issue, it is a CBT Payor Club for a fifth (or more) consecutive Contract Year.

(vi) Initial Assignment of Tier: For purposes of determining a Club's Tier for the 2012 Revenue Sharing Year -

- (A) A Club that was not a 2011 CBT Payor Club is a Tier 1 Club if it is a CBT Payor Club in 2012.
- (B) A Club that was not a 2010 CBT Payor Club but was a 2011 CBT Payor Club is a Tier 2 Club if it is a CBT Payor Club in 2012.
- (C) A Club that was a CBT Payor Club in 2011 for the second consecutive Contract Year is a Tier 3 Club if it is a CBT Payor Club in 2012.
- (D) A Club that was a CBT Payor Club in 2011 for the third consecutive Contract Year is a Tier 4 Club if it is a CBT Payor Club in 2012.
- (E) A Club that was a CBT Payor Club in 2011 for the fourth (or more) consecutive Contract Year is a Tier 5 Club if it is a CBT Payor Club in 2012.

There will be no distribution of market disqualification proceeds in the 2012 Revenue Sharing Year.

(vii) Subsequent Assignment of Tier:

- (A) A Club will move up one Tier for each consecutive Contract Year it remains a CBT Payor Club.
- (B) Starting in 2012, a Club that is a CBT Payor Club in a given Contract Year but is not a CBT Payor Club for the next two or more consecutive Contract Years will be a Tier 1 Club in the next Contract Year in which it is a CBT Payor Club.
- (C) A Club that is a CBT Payor Club in a given Contract Year but is not a CBT Payor Club for only the next Contract Year will have its assigned Tier reduced by two levels (but in no event to lower than Tier 1) in the next Contract Year in which it is a CBT Payor Club. For example, a Club that is at Tier 5 entering the 2013 Revenue Sharing Year but is not a CBT Payor Club in 2013 will receive its full Market Disqualification Refund in 2013, and will be a Tier 3 Club if it is a CBT Payor Club in 2014.

(viii) Distribution of Forfeited Refunds: Amounts forfeited in a given Revenue Sharing Year by operation of this subparagraph 15(b) shall be redistributed as follows.

(A) 50% of forfeited amounts shall be used to fund benefits to Players via the Major League Baseball Players Vanguard Plan.

(B) 50% of forfeited amounts shall be distributed to Net Revenue Sharing Payee Clubs, excluding market-disqualified Clubs, that either are not CBT Payor Clubs in the given Contract Year or are CBT Payor Clubs in the given Contract Year but were not CBT Payor Clubs in the immediately preceding Contract Year. Such distributions shall be made to the qualifying Net Revenue Sharing Payee Clubs in proportion to the amount of revenue sharing proceeds they received.

(16) The “Administrator” shall be the representative (or representatives) responsible, in consultation with the Association, for administration of the Revenue Sharing Plan under this Article XXIV. (See Section C, Administration, below.)

B. General Principles

(1) Intent of the Plan

The intent of the Revenue Sharing Plan is to transfer among the Clubs in each Revenue Sharing Year, by means of a combination of the Base Plan and the Supplemental Plan, the amount of revenue that would have been transferred in that Year by a 48% straight pool plan, plus such transfers as may result from distributions of the Commissioner’s Discretionary Fund.

(2) Other Sharing

(a) Gate Receipts. The functions formerly handled by the League Offices shall be funded in a substantially equivalent fashion as they have been in the past.

(b) Central Revenue. Except as expressly provided in Sections A(13) and A(14) above, nothing in this Article is intended to alter current agreements among the Clubs pertaining to Central Revenue,

including but not limited to, the Major League Central Fund, the Office of the Commissioner, Major League Baseball Properties, Inc., Baseball Television, Inc., Major League Baseball Enterprises, Major League Baseball Advanced Media, Inc., The MLB Network, LLC, the Copyright Arbitration Royalty Panel, Superstation Agreements, the All-Star Game and national marketing and licensing. Notwithstanding the preceding sentence and except as expressly provided in Sections A(13) and A(14) above, the Office of the Commissioner shall take no action regarding the allocation or distribution of Central Revenue that is (i) in response to the operation of the Revenue Sharing Plan or (ii) inconsistent with the manner in which the Commissioner has allocated or distributed Central Revenue in the past.

(3) Accounting Rules

In calculating net payments and net receipts, the Administrator, on behalf of the Clubs, shall use the definitions contained in the 2011 FIQ, subject to the provisions of Section C below. The intention is to continue to follow Generally Accepted Accounting Principles (“the GAAP rules”) in the adoption and application of revenue and expense definitions contained in the FIQ and to use GAAP or, in designated situations, federal tax principles, as the “default” standards in the accounting conventions, policies and practices reflected in the FIQ (and in any changes to any of the foregoing). It is acknowledged, however, that specific exceptions to the GAAP rules have been and will be warranted to ensure uniformity, consistency and fair treatment among the Clubs, subject to the provisions of Section C, below.

(4) Interests of the Association

The Revenue Sharing Plan may have a significant impact on the industry globally as well as on individual Clubs. Accordingly, the Parties acknowledge that the Association has a significant interest in any aspect of any of the components of the Revenue Sharing Plan or its operation materially affecting either: (a) the overall industry-wide transfer of revenue among Clubs; or (b) the amounts of payments made by individual Clubs and the amounts of receipts received by individual Clubs. This paragraph shall not be construed

to limit the Association's right to assert that it has other legitimate interests in the operation of the Plan.

(5) Other Undertakings

(a) A principal objective of the Revenue Sharing Plan is to promote the growth of the Game and the industry on an individual Club and on an aggregate basis. Accordingly, each Club shall use its revenue sharing receipts (from the Base Plan, the Supplemental Plan and the Commissioner's Discretionary Fund) in an effort to improve its performance on the field. The following uses of revenue sharing receipts are not consistent with a Club's obligation under this paragraph 5(a) to use such receipts in an effort to improve its performance on the field: payments to service acquisition debt or any other debt that is unrelated to past or future efforts to improve performance on the field; payments to individuals other than on-field personnel or personnel related to player development; payments to entities that do not have a direct role in improving on-field performance; and distributions to ownership that are not intended to offset tax obligations resulting from Club operations. Consistent with his authority under the Major League Constitution, the Commissioner may impose penalties on any Club that fails to comply with this subparagraph 5(a). The Commissioner, in addition to other penalties he may impose for violations of any aspect of this subparagraph 5(a), may require a Club to submit a plan for its financial performance and competitive effort for the next two years. Such a plan must include a pro forma financial presentation that specifies its attendance, revenues, payroll, player development expenditures, non-player costs, and capital spending. The Commissioner, after consultation with the Players Association, may direct the Club to change aspects of its plan, including the level of competitive effort reflected in the plan, or take other actions as he considers appropriate (including escrow of a portion of a Club's revenue sharing payments).

The Association has the burden in any proceeding under the Grievance Procedure of demonstrating that the Club's use of its revenue sharing receipts was in violation of this subparagraph 5(a). In any such Grievance, the Arbitration Panel shall consider, among other things: (i) the Club's expenditures on scouting, player development, and player payroll; (ii) the Club's long-term strategy for improving

competitiveness; (iii) the uses that the Club has historically made of revenue sharing receipts; and (iv) the overall financial position of the Club. Notwithstanding the above, if a Club's Actual Club Payroll pursuant to Article XXIII(C) is equal to less than 125% of its revenue sharing receipts in a given Revenue Sharing Year, the Club shall have the burden of establishing in any Grievance that its use of revenue sharing receipts was consistent with this subparagraph 5(a).

(b) Each Net Revenue Sharing Payee Club, no later than August 15, shall report on the performance-related uses to which it put its revenue sharing receipts in the current Revenue Sharing Year. That report shall include: a statement of the Club's strategy for competitive improvement, aggregate revenues, payroll, non-payroll costs, and operating profits, both planned and actual, over the recent past and projected for at least two years.

(c) The Clubs and the Association recognize that the participation of two Clubs is necessary for the production of the on-field competition that the Clubs sell to the public. The net payments and net receipts required by this Article XXIV reflect a continuation of the amounts paid directly to the visiting Clubs and are in recognition of the principle that visiting Clubs should share, and in fact traditionally have shared, in the economic benefits jointly generated by the Game at another Club's home field.

(d) None of the Parties hereto shall enter into any agreement, or engage in any transaction or other conduct, designed to defeat or circumvent the intentions of the Parties as reflected in this Article XXIV.

C. Administration

(1) *Responsibility*

The administration of the Revenue Sharing Plan under this Article XXIV shall be the responsibility of the Administrator in consultation with the Association. The Administrator shall be the Commissioner or, if so designated by the Major League Baseball Executive Council a Committee of Clubs and/or representatives. The Office of the Commissioner shall promptly notify the Association of a change in the Administrator.

(2) Duties of Administrator

The Administrator shall have the following duties and responsibilities, to be performed in consultation with the Association:

(a) Calculations and Determination of Payment Schedule.

The Administrator shall calculate and determine the timing of payment and distribution of net payments and net receipts by (or to) Clubs. In this regard, the Administrator is authorized to require estimated partial payments and distributions during the course of a Revenue Sharing Year and to assess reasonable penalties for intentionally inaccurate estimates by Clubs. Unless altered by the Administrator in consultation with the Association, the Clubs shall make payments under the Base Plan to the Administrator in each year of the Revenue Sharing Plan under the following schedule:

	Reporting Date	Payment Date	Distribution Date	Amount of Payment
Payment 1	May 15	May 25	June 1	33% of Estimated Annual Net Payment
Payment 2	July 15	July 25	August 1	66% of Estimated Annual Net Payment Less: Payment 1
Payment 3	September 15	September 25	October 1	100% of Estimated Annual Net Payment Less: Payments 1 and 2
Payment 4	November 15	November 25	December 1	Post-Season True-Up, Unaudited
Payment 5	March 31	June 7	June 15	Final Determination of Annual Net Payment Based on Audited Results

- (i) The “Reporting Date” shall be the date on which the Clubs submit their most recent estimate of Net Local Revenues.
- (ii) The “Payment Date” shall be the date on which the Net Revenue Sharing Payor Clubs pay estimated amounts to the Administrator based on an updated revenue sharing calculation provided to the Clubs.

(iii) The "Distribution Date" shall be the date on which the Administrator distributes estimated amounts to Net Revenue Sharing Payee Clubs based on the updated revenue sharing calculation.

In determining whether to alter the foregoing schedule, the Administrator shall accord substantial weight to the cash flow needs under this Agreement of the industry as a whole, as opposed to any specific Club. The Administrator shall also provide the Association with notice of any inter-Club disputes relating to the payment and distribution of net payments and receipts and the resolution of such disputes.

The Supplemental Plan shall operate as provided in Section A(13), above. The Commissioner's Discretionary Fund shall operate as provided in Section A(14), above.

(b) Review of Accounting and Reporting Practices. The Administrator shall review the accounting and reporting practices of the Clubs, as reflected in Club financial information submitted in connection with the FIQs, audited financial statements, and any SIQs or supplemental information required by the Administrator to be submitted by Clubs. The Administrator shall also conduct regular full independent audits of the Clubs and of particular significant transactions (e.g., related party transactions). The Administrator will continue to conduct full compliance audits of each Club in each year of this Agreement. The Administrator is also authorized to make appropriate changes, in furtherance of the objectives described below in Section C(2)(c), in the definitions, accounting conventions, policies or practices reflected in the FIQ, subject to prior notice to, and consultation with, the Association. The Administrator is also authorized to require a more detailed Club submission of line items as set out in the FIQ.

(c) Objectives. In performing functions under this paragraph (2), the objectives of the Administrator are:

- (i) to achieve uniformity and consistency in reporting among Clubs;
- (ii) to achieve uniformity and consistency in reporting from Revenue Sharing Year to Revenue Sharing Year;

- (iii) to accord fair treatment in the calculation of net payments and net receipts;
- (iv) to be fair, impartial and objective in assessing and evaluating new issues that arise in the operation of the Plan; and
- (v) to remain faithful to the agreement of the Parties reflected in this Article XXIV.

(3) Specific Prohibition

In performing duties and responsibilities in the administration of the Revenue Sharing Plan, the Administrator shall not materially affect the agreement of the Parties as reflected in this Article, including, but not limited to:

- (a) the industry-wide net transfer of Net Local Revenue among Clubs;
- (b) the amounts of contributions made by individual Base Plan Payor Clubs and the amounts of payments received by individual Base Plan Payee Clubs;
- (c) the amounts contributed and received by Clubs under the Supplemental Plan; or
- (d) the amounts distributed under the Commissioner's Discretionary Fund.

D. Participation of the Association

(1) Consultation

(a) Within 30 days following execution of this Agreement, the Administrator shall promptly notify and consult with the Association in advance with regard to any proposed action the Administrator intends to take pursuant to paragraphs (1), (2)(a) and (2)(b) of Section C above in connection with the administration of the Revenue Sharing Plan. The Administrator and the Association shall thereafter meet regularly on a monthly basis to facilitate administration of the Plan. Further, the Administrator shall regularly notify and consult with the Association with respect to any proposed changes described in Section C(2)(b), or any other proposed changes in the administration of

the Plan, preliminary and final estimated partial payment calculations and preliminary and final calculations regarding net payments or net receipts due under any component of the Plan.

(b) Failure by the Association to challenge at the consultation stage with the Administrator or under the Grievance Procedure in Article XI any such proposed actions, changes, or preliminary estimated partial payment calculations or preliminary calculations regarding net payments or net receipts described above in Section D(1)(a) shall not preclude the Association from challenging under the Grievance Procedure in Article XI any action taken, changes made, or final estimated partial payment calculations or final calculations regarding net payments or net receipts made by the Administrator in connection with the administration of the Revenue Sharing Plan. Further, nothing in this Article, including, but not limited to, the consultation rights accorded the Association, is intended to limit either the substantive rights of the Association under this Article or the application of the Grievance Procedure in Article XI as to any complaint involving the existence or interpretation of, or compliance with, this Article or any provision herein.

(c) The filing of a Grievance under Article XI by the Association shall not preclude the Administrator from calculating, collecting or redistributing estimated partial payments or receipts or final net payments or receipts in accordance with this Article, unless the Chair of the Arbitration Panel, upon application by the Association, provides otherwise. Unless the Chair provides otherwise, any adjustments to the calculation, collection or redistribution of estimated partial payments or receipts or of final net payments or receipts pursuant to this Article necessitated by the resolution of an Association Grievance shall be made by the Administrator once the Grievance is finally resolved.

(2) Right to Information

The Administrator shall provide to the Association, upon request, any relevant information necessary to the Association's performance of its functions under this Article as collective bargaining representative. More specifically, and not by way of limitation, the Administrator shall promptly provide to the Association on a regular basis for each Revenue Sharing Year of this Agreement, copies

of the following documents (in hard copy and computer readable form, if available) within 10 days following preparation by or receipt by the Administrator of such data, except that (i) copies of documents responsive to subparagraph (k) shall be provided with the notice provided pursuant to Section A(14)(b)(ii) of this Article; (ii) copies of documents responsive to subparagraphs (e), (n) and (p) shall be provided within 30 days following preparation of such data by the Clubs (or the Administrator); and, if requested, (iii) copies of documents responsive to subparagraph (m) shall be provided within 10 days following the Association's request, as the case may be:

- (a) the form FIQ to be submitted by Clubs, together with any form SIQ or other forms requiring the submission of supplemental information to the Administrator by Clubs;
- (b) any proposed changes in the form FIQ, SIQ or other forms to be submitted to the Administrator by the Clubs, together with explanatory reports, if any, regarding such proposed changes;
- (c) completed FIQs, SIQs or other supplemental information forms submitted to the Administrator by each Club;
- (d) audited financial statements submitted by each Club;
- (e) summaries of local media contracts (and/or of any other individual Club contracts) submitted by each Club to, or maintained under the supervision of, the Office of the Commissioner (or the Administrator);
- (f) any industry-wide compilation of revenue and expense data, whether broken out by individual Club or groups of Clubs;
- (g) any completed forms submitted by the Clubs to the Administrator in connection with the preparation of estimates of net payments or net receipts under any component of the Plan;
- (h) any preliminary estimated partial payment calculations or preliminary calculations by the Administrator of net payments and net receipts due under any component of the Plan;
- (i) any document reflecting a distribution to a Club under any component of the Plan;
- (j) any document prepared by or on behalf of the Administrator in connection with a full or partial independent audit of any

Club conducted by or on behalf of the Administrator as described in Section C(2)(b) and Section D(3)(a) of this Article;

(k) any correspondence to or from the Administrator or the Office of the Commissioner regarding a contemplated distribution, noticed pursuant to Section A(14)(b)(ii) of this Article, including but not limited to the written request submitted pursuant to subparagraph (b)(i) of that Section and any documents considered by the Commissioner during his review of the request;

(l) reports filed with the Commissioner pursuant to Section B(5)(b) of this Article and any correspondence from or to the Commissioner relating to his enforcement of Section B(5)(a) of this Article;

(m) upon specific request by the Association, any unsuccessful request made pursuant to Section A(14)(b)(i) of this Article, any correspondence responsive to such submission and any document that the Commissioner considered in connection with his rejection of such request;

(n) upon specific request by the Association, any Club document(s) examined or required to be examined by or on behalf of the Administrator in connection with a full or partial independent audit of any Club conducted by or on behalf of the Administrator as described in Section C(2)(b) and Section D(3)(a) of this Article;

(o) any final calculations by the Administrator of estimated partial payments, net payments and net receipts due under the Plan; and

(p) upon specific request by the Association, a description of the methodologies, assumptions and procedures used by the Administrator to calculate and/or reconcile items reported in Club FIQs and Club audited financial statements.

(3) Right to Audit

(a) The Association shall have the right, at any time during this Agreement, to require the Administrator to conduct a full or partial independent audit of any Club for a given Revenue Sharing Year or of any particular transaction, regardless of whether such an audit would have been required by the Administrator under the

procedures referred to in Section C(2)(b) above. Further, should the Association require such an audit, the Association shall also have the right to require the Administrator to examine specified transactions, revenue and/or expense items, and/or to require reconciliation of the Club's FIQ and audited financial statements in specified areas. The Association also shall have the right to require the Administrator to examine specified Club document(s). The Administrator shall conduct the audit within a reasonable period of time from the date of a written demand therefor by the Association. To the extent practicable, such audit will be conducted under the same procedures and under the same time schedule as other audits conducted by the Administrator in accordance with Section C(2)(b) above. All expenses for such audits shall be borne solely by the Administrator.

(b) Upon a showing of good cause and written notice to the Administrator, the Association shall have the right to conduct its own full or partial independent audit of any such Club or transaction. The Administrator shall promptly arrange the date for the Association's audit, to be conducted within a reasonable period of time from the date of the Association's notice pursuant to this subparagraph.

(c) Notwithstanding the provisions of Section C(2)(b), Section D(3)(a) and Section D(3)(b) above, and without regard to whether the Administrator has conducted an audit pursuant to Section C(2)(b) or Section D(3)(a) of any Club (or Clubs), the Association, upon written notice to the Administrator, shall have the right to conduct its own full or partial independent audit of six (6) Clubs per year for each Revenue Sharing Year. Notwithstanding the foregoing, upon a showing of good cause, the Association shall have the right to conduct its own full or partial independent audit of more than six (6) Clubs for each Revenue Sharing Year. The Administrator shall promptly arrange the date for the Association's audit, to be conducted within a reasonable period of time from the date of the Association's notice pursuant to this subparagraph.

(d) Any audits conducted by the Association pursuant to subparagraphs (b) or (c) above, may be conducted by representatives of the Association's choice, including accountant(s) employed on the Association's staff, so long as such representatives are working

under the supervision of Certified Public Accountant(s) of the Association's choice.

(e) The Association shall utilize the rights set forth in this paragraph (3) in good faith and only in furtherance of its interest in ensuring compliance with this Agreement. In no event will the Association conduct an unreasonable number of its own audits for any Revenue Sharing Year.

(4) *Confidentiality*

Any financial information obtained by the Association from the Clubs (or the Administrator) pursuant to this Article shall be subject to the Confidentiality Agreement appended hereto in Attachment 14.

ARTICLE XXV—The Industry Growth Fund

A. Objective and Purposes

The Parties shall maintain the Industry Growth Fund ("IGF") established under the 1997 Basic Agreement. The objective of IGF is to promote the growth of baseball in the United States and Canada, as well as throughout the world. To this end, IGF will be operated jointly by Players and Clubs in furtherance of the following purposes:

- (1) to enhance fan interest in the game;
- (2) to increase baseball's popularity; and
- (3) to ensure industry growth into the 21st Century.

B. Joint Activities

In furtherance of the purposes described above in Section A, the Parties shall make funds available to IGF for joint activities supervised by the Association and the Clubs in the following areas:

- (1) licensing, promotional, advertising and marketing projects;
- (2) international development, including Player tours, licensing, media relations and support for baseball federations throughout the world;
- (3) development and use of new media technology;

(4) community service activities;

(5) enhancement in popularity and revenue growth among those Clubs that are or have been Payee Clubs under Article XXIV during the term of this Agreement, with particular attention to the interests of cities and communities in the retention of Major League Clubs (provided that funds are distributed based on investment criteria and not as automatic supplements to revenue sharing pursuant to Article XXIV); and

(6) any other joint activities deemed by the Parties to be in furtherance of the purposes of IGF.

C. Administration

(1) Board of Directors

(a) The Parties shall maintain a Board of Directors of IGF (“the IGF Board”), consisting of seven members. The Executive Director of the Association and the Executive Vice President, Labor and Human Resources of the Office of the Commissioner, or their designees, shall serve as Co-Chairs of the IGF Board. The Association and the LRD, on behalf of the Clubs, shall each appoint two additional members (“Association Members” and “Club Members,” respectively). One additional member (“Independent Member”) shall be appointed jointly by the LRD, on behalf of the Clubs, and the Association. The Independent Member shall not be a current employee, vendor, contractor, partner, member of, or consultant to, any Club, the LRD, the Association or any other centrally-operated Baseball entity. The IGF Board shall consist of the two Co-Chairs, the two Association Members, the two Club Members and the one Independent Member.

(b) It shall be the responsibility of the IGF Board to oversee the operation and activities of IGF. The IGF Board shall meet in person at least three times each year. The IGF Board may also hold conference calls and receive reports and other information about the activities and operation of IGF.

(2) Co-Operating Officers

The Association and the LRD, on behalf of the Clubs, shall each appoint one Co-Operating Officer for IGF. The responsibilities of the Co-Operating Officers shall be:

- (a) to work together in the operation and administration of IGF on a day-to-day basis;
- (b) to formulate, plan and agree upon joint activities (including budgets, contractors and/or vendors therefor) as described in Section B above;
- (c) to consult with the IGF Board regarding joint activities (including budgets, contractors and/or vendors therefor) as described in Section B above and as agreed upon by the Co-Operating Officers; and
- (d) to otherwise make regular reports to the IGF Board about current and future IGF activities.

D. Dispute Resolution

(1) Disputes Concerning Joint Activities

Any dispute concerning a decision whether or not to participate in a joint activity, including disputes over budgets, the selection of contractors and/or vendors therefor, shall be resolved by the Co-Chairs of the IGF Board and, absent resolution by them, such joint activity shall not be undertaken. Decisions by the Co-Chairs with respect to this type of dispute shall be final and binding upon the Parties.

(2) Disputes Subject to Resolution by the Independent Member

Any dispute regarding the day-to-day operations of IGF (other than the disputes described in paragraph (1) above) shall be subject to resolution by the Independent Member. Either of the Co-Operating Officers shall have the right to bring such a dispute to the attention of the Independent Member by written notice within seven (7) business days from the date such dispute arises, with a copy simultaneously to the other Co-Operating Officer. The Independent Member, within five (5) business days from receipt of such written notice, shall render a decision resolving the dispute. In reaching the decision, the Independent Member shall accord paramount consideration to the objective and purposes of IGF, as described in Section A above, as well as to the funding available to IGF, as described in Section E below. The Independent Member's decision resolving the dispute shall be in writing with a brief explanation of the reasons

therefor. The decision of the Independent Member shall be final and binding upon the Parties.

(3) *Other Disputes*

Except for disputes subject to paragraph (1) or (2) above, nothing in this Article XXV is intended to affect either the substantive rights of the Parties under this Article XXV or the application of the Grievance Procedure in Article XI to any other complaint involving the existence or interpretation of, or compliance with this Article or any provision herein.

E. Funding

(1) *Competitive Balance Tax Proceeds*

Competitive Balance Tax proceeds shall be contributed to IGF as provided in Article XXIII(H)(3).

(2) *Additional Voluntary Contributions*

In addition, either the Association, in its discretion, or the Clubs, in their discretion, may contribute additional amounts to IGF.

F. Continuation of IGF After the Termination of the Basic Agreement

If, as of the termination of this Agreement, there are funds available for use by IGF as a result of the operation of Section E above, for activities described in Section B above, then notwithstanding termination of this Agreement and any rights of the Clubs under the National Labor Relations Act, IGF shall remain in existence and in operation as if this Agreement had not terminated, until such funds are exhausted through use in activities described in Section B above, or until the Association and the LRD agree to terminate operation of IGF, whichever is earlier.

ARTICLE XXVI—Term

This Agreement shall terminate on December 1, 2016.

ARTICLE XXVII—Comprehensive Agreement

This Agreement represents a complete, full and final understanding on all bargainable subjects covering Players during the term of this Agreement, except such matters as may become bargainable pursuant to the reopeners provisions of this Agreement or under the terms of the following agreements:

- (a) the Major League Baseball Players Benefit Plan;
- (b) the Agreement Re Major League Baseball Players Benefit Plan;
- (c) Major League Baseball's Joint Drug Prevention and Treatment Program; and
- (d) the Agreement regarding dues check-off.

All rights to bargain with one another concerning any subject whatsoever regarding Players for the duration of this Agreement are expressly waived by the Parties, except to the extent permitted in said Agreements and in the reopeners provisions of this Agreement. Should this Agreement be reopened pursuant to the provisions hereof, each of the Parties shall have the right to take concerted action in support of its position.

It is further agreed by the Parties that during the term of this Agreement they will use their best efforts to ensure that all terms and conditions of all Uniform Player's Contracts signed by individual Players will be carried out in full.

ARTICLE XXVIII—Execution of this Agreement

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and such counterparts shall constitute but one and the same instrument.

This Agreement is executed by the undersigned acting solely in their respective representative capacities and not in their individual capacities.

IN WITNESS WHEREOF, the Parties have hereunto subscribed their names as of the day and year first above written.

CLUBS	MAJOR LEAGUE BASEBALL PLAYERS ASSOCIATION
AZPB LIMITED PARTNERSHIP	David Aardsma
ANGELS BASEBALL LP	Daniel Bard
ATLANTA NATIONAL LEAGUE BASEBALL CLUB, INC.	Miguel Batista
BALTIMORE ORIOLES LIMITED PARTNERSHIP	Jose Bautista
THE BOSTON RED SOX BASEBALL CLUB LIMITED PARTNERSHIP	Brandon Beachy
CHICAGO CUBS BASEBALL CLUB, LLC	Joaquin Benoit
CHICAGO WHITE SOX, LTD.	Jerry Blevins
THE CINCINNATI REDS, LLC	Bill Bray
CLEVELAND INDIANS BASEBALL COMPANY LIMITED PARTNERSHIP	Craig Breslow
COLORADO ROCKIES BASEBALL CLUB, LTD.	John Buck
DETROIT TIGERS, INC.	Dave Bush
HOUSTON ASTROS, LLC	Matt Cain
KANSAS CITY ROYALS BASEBALL CORPORATION	Chris Capuano
LOS ANGELES DODGERS LLC	Jason Castro
STERLING METS, L.P.	Craig Counsell
MIAMI MARLINS, L.P.	Curtis Granderson
MILWAUKEE BREWERS BASEBALL CLUB, LIMITED PARTNERSHIP	Sean Green
MINNESOTA TWINS, LLC	Jeremy Guthrie
NEW YORK YANKEES PARTNERSHIP	Chase Headley
ATHLETICS INVESTMENT GROUP, LLC DBA OAKLAND ATHLETICS BASEBALL CLUB	Aaron Heilman
THE PHILLIES	Aaron Hill
PITTSBURGH ASSOCIATES	Torii Hunter
RANGERS BASEBALL LLC	Clayton Kershaw
ROGERS BLUE JAYS BASEBALL PARTNERSHIP	Jed Lowrie
PADRES L.P.	Justin Masterson
SAN FRANCISCO BASEBALL ASSOCIATES L.P.	Kyle McClellan
	Andrew Miller
	Brandon Morrow
	Ross Ohlendorf
	Will Ohman
	Carlos Pena
	Jimmy Rollins
	Kevin Slowey
	Ryan Spilborghs
	Drew Storen
	Huston Street
	Josh Thole

ST. LOUIS CARDINALS, LLC
THE BASEBALL CLUB OF
SEATTLE, L.L.P.
TAMPA BAY RAYS BASEBALL LTD.
WASHINGTON NATIONALS
BASEBALL CLUB, LLC

By

Major League Baseball
Office of the Commissioner
Robert D. Manfred, Jr.,
Executive Vice President
Labor and Human Resources
and Labor Counsel

By

Michael S. Weiner,
Executive Director
General Counsel

ATTACHMENT 1

Michael S. Weiner, Esquire
Executive Director & General Counsel
Major League Baseball Players Association
12 East 49th Street
New York, New York 10017

Dear Michael:

I understand that the Players Association has expressed concern that the Commissioner might take some action pursuant to Article XI(A)(1)(b) of the Basic Agreement which could negate rights of Players under the new Basic Agreement. While I have difficulty seeing that this is a real problem, I am quite willing to assure the Association that the Commissioner will take no such action.

Sincerely,

Allan H. Selig
Commissioner of Baseball

ATTACHMENT 2

David M. Prouty, Esquire
Chief Labor Counsel
Major League Baseball
Players Association
12 East 49th Street
New York, New York 10017

Dear David:

This letter is to confirm our agreement that when a Club assigns a Player to the Minor Leagues by either an optional or outright assignment, or designates a Player for assignment from the status of an optioned Player, before Opening Day Rosters are due for that Club (typically 3:00 P.M. Eastern on Opening Day), that Player shall not be credited with Major League Service for Opening Day or during the period of designation.

Very truly yours,

Daniel R. Halem
Senior Vice President,
General Counsel–Labor
Major League Baseball
Office of the Commissioner

ATTACHMENT 3

Robert D. Manfred, Jr., Esquire
Executive Vice President
Labor and Human Resources
Labor Counsel
Major League Baseball
Office of the Commissioner
245 Park Avenue
New York, New York 10167

Dear Rob:

As we have agreed, in cases in which the Arbitration Panel decides that an award including interest is appropriate, the interest rate to be applied shall be as calculated under Article XV(L) of the Basic Agreement.

In addition, if a Player is credited with additional Major League Service, due to any agreement or Panel award, for any year in which Article XXIII Contributions are made (see Section 8.1(c) of the Major League Baseball Players Benefit Plan), the Player will receive additional Article XXIII Contributions, if possible, based on that newly credited service. Such contributions will be made even in the absence of a specific direction in the agreement or award.

This letter shall not be admissible in an arbitration hearing for any purpose other than the calculation of an appropriate interest rate, or the allocation of a Player's Article XXIII Contribution based on an award or agreement crediting a Player with additional Major League Service days.

Sincerely,

Michael S. Weiner
Executive Director & General Counsel
Major League Baseball Players
Association

ATTACHMENT 4

David M. Prouty, Esquire
Chief Labor Counsel
Major League Baseball
Players Association
12 East 49th Street
New York, New York 10017

Re: S100 Pro Comp Batting Helmets

Dear David:

The purpose of this letter is to confirm our agreement with respect to the use of the Rawlings' S100 Pro Comp batting helmet (the "Helmet") by Major League Players during the term of the 2012-16 Basic Agreement.

Rawlings has informed the parties that it will provide a minimum of 200 Helmets for use by Players for the 2012 championship season. Each Club will have available in its clubhouse the Helmet in a variety of sizes that Players can use on a voluntarily basis. The Clubs and the Union will use their best efforts to encourage Players to wear the Helmet.

During the 2012 season, the parties will meet periodically to discuss any feedback received from Players regarding the Helmet, and convey such feedback to Rawlings. In order to satisfy Rawlings' 2013 production schedule, the parties agree to provide Rawlings with such feedback by the 2012 All-Star Break. At the conclusion of the 2012 championship season, the parties shall confer to determine whether, starting in 2013, Major League Players will be required to wear the Helmet during all Spring Training games, championship season games, post-season games, the All-Star Game, and exhibition games. If either party notifies the other that it is withholding its consent to mandate use of the Helmet, the dispute may be brought to the Arbitration Panel, which shall determine whether the party unreasonably withheld such consent. In any such proceeding, the party withholding the consent shall have the burden of establishing that it acted reasonably and in good faith. To satisfy its burden, the party must present evidence that either Rawlings was unable to address significant concerns

raised by Players regarding the performance or fit of the Helmet, or Rawlings is unable to supply the Helmet in sufficient quantities for the 2013 season.

Very truly yours,

Daniel R. Halem
Senior Vice President,
General Counsel–Labor
Major League Baseball
Office of the Commissioner

ATTACHMENT 5

Standard Form of Diagnosis
(ebis System Generated From Choices)

To: Office of the Commissioner (Baseball Operations)

Player's Name

Club

Position

15-Day DL 60-Day DL Transfer to 60-Day DL

Date of Injury Last Game Appearance

Initial Placement Date Recertification Date

Date of Examination

Earliest Reinstatement Date

Nature of Injury

Body Side Drop Down Choice
"Right or Left" Part of Body Injured Drop Down Choice
"See Attached List"

Body Part Detail Drop Down Choice "See Attached List"

Diagnosis Description

Estimated Time for Recovery

Physician Name Physician Signature

Date

Club Official Name

Date
Club Official Signature

cc: Player
Players Association

Nature of Injury Data Table

The following table represents the drop down menu items in the Nature of Injury data section of the Disabled List Placement screen. The three columns of the table (Body Part, Body Part Detail, and Diagnosis Description) reflect the data elements available in the respective drop down lists provided in the interface. Depending on the user's selection of Body Part, the Body Part Detail and Diagnosis Description fields are populated. The second chart represents the associated drop down data elements available in the Ailment drop down list. Body Part Detail and Diagnosis Description for each Body Part will be sorted alphabetically in all drop-down lists that correspond to the data in the two following tables.

Body Part	Body Part Detail	Diagnosis Description
Head	Skull	Concussion
	Cheekbone	Post-concussion Syndrome
	Eye	TMJ
	Nose	Blister
	Ear	Bone Spur
	Jaw	Bruise
	Other	Contusion
		Impingement
		Infection
		Inflammation
		Laceration
		Muscle Injury
		Sprain
		Strain
		Stress Reaction
		Tear
		Tendonitis
		Tendon Injury
		Other
Neck		

Body Part	Body Part Detail	Diagnosis Description
Neck		Inflammation
		Laceration
		Muscle Injury
		Separation
		Sprain
		Strain
		Stress Reaction
		Tear
		Tendonitis
		Tendon Injury
Shoulder		Other
	Shoulder	Blister
	Labrum	Blood Clot
	Rotator Cuff	Bone Spur
	A/C Joint	Bruise
	Acromioclavicular	Bursitis
	Other	Contusion
		Dislocation
		Fracture
		Impingement Syndrome
		Infection
		Inflammation
		Laceration
		Muscle Injury
		Nerve Injury
		Separation
		Sprain
		Strain
		Stress Reaction
Arm/Elbow		Surgery
	Elbow	Tear
	Forearm	Tendonitis
	Triceps	Tendon Injury
	Biceps	Other
	Other	
	Elbow	Blister
	Forearm	Bone Spur
	Triceps	Bruise
	Biceps	Contusion
	Other	Dislocation

Body Part	Body Part Detail	Diagnosis Description
Arm/Elbow		Fracture
		Impingement
		Infection
		Inflammation
		Laceration
		Loose Bodies
		Muscle Injury
		Radial Nerve Injury
		Ulnar Nerve Injury
		Ulnar Collateral Lig. Injury
		Sprain
		Strain
		Stress Reaction
		Surgery
		Tear
		Tendonitis
		Tendon Injury
		Other
Wrist/Hand/Fingers	Wrist	Navicular Fracture
	Hand	Hamate Fracture
	Thumb	TFCC Injury
	Digit 2	Carpal Tunnel Syndrome
	Digit 3	Blister
	Digit 4	Bone Spur
	Digit 5	Bruise
	Other	Contusion
		Dislocation
		Fracture
		Impingement
		Infection
		Inflammation
		Laceration
		Ligament Injury
		Muscle Injury
		Sprain
		Strain
		Stress Reaction
		Surgery
		Tear
		Tendonitis

Body Part	Body Part Detail	Diagnosis Description
Wrist/Hand/Fingers		Tendon Injury
		Other
Chest/Back/Spine	Back	Disk Injury/Disease
	Cervical Spine	Sciatic Nerve Irritation
	Thoracic Spine	Stenosis
	Chest	Blister
	Ribcage	Facet Joint Problem
	Oblique Muscle	Bone Spur
	Lumbar Spine	Bruise
	Sacrum	Contusion
	Other	Fracture
		Multiple Fractures
		Impingement
		Infection
		Inflammation
		Laceration
		Ligament Sprain
		Muscle Injury
		Muscle Spasm
		Muscle Strain
		Nerve Injury
		Sprain
		Strain
		Stress Reaction
		Surgery
		Tear
		Tendonitis
		Tendon Injury
		Other
Pelvis/Hips	Pelvis	Blister
	Groin	Bone Spur
	Hip	Bruise
	Hernia	Bursitis
	Thigh	Contusion
	Abdomen	Dislocation
	Buttocks	Fracture
	Other	Impingement
		Infection
		Inflammation

Body Part	Body Part Detail	Diagnosis Description
Pelvis/Hips		SI Joint Injury
		Laceration
		Muscle Injury
		Nerve Injury
		Sprain
		Strain
		Stress Reaction
		Surgery
		Tear
		Tendonitis
		Tendon Injury
		Other
Upper Leg/Thighs	Thigh	Blister
	Quadriceps	Bone Spur
	Hamstring	Bruise
	Femur	Contusion
	Other	Dislocation
		Fracture
		Impingement
		Infection
		Inflammation
		Laceration
		Muscle Injury
		Nerve Injury
		Sprain
		Strain
		Stress Reaction
		Surgery
		Tear
		Tendonitis
		Tendon Injury
		Other
Lower Leg/Knee	Knee	Chondromalacia
	Calf	Lateral Meniscus Injury
	Shin	Ligament Injury
	Patella	Medial Collateral
	Other	Lateral Collateral
		Anterior Cruciate
		Posterior Cruciate

Body Part	Body Part Detail	Diagnosis Description
Lower Leg/Knee		Medial Meniscus Injury
		Patella Disease
		Patella Dislocation
		Plica
		Blister
		Bone Spur
		Bruise
		Bursitis
		Articular Cartilage Injury
		Compartment Syndrome
		Contusion
		Degenerative Arthritis
		Dislocation
		Fracture
		Impingement
		Infection
		Inflammation
		Laceration
		Muscle Injury
		Nerve Injury
		Sprain
		Strain
		Stress Reaction
		Surgery
		Tear
		Tendonitis
		Tendon Injury
		Other
Ankle/Foot/Toes	Ankle	Heel Pain
	Great Toe	Planter Fasciitis
	Digit 2	Turf Toe
	Digit 3	Blister
	Digit 4	
	Digit 5	Bone Spur
	Heel	Bruise
	Foot	Bursitis
	Achilles Tendon	Contusion
	Other	Dislocation
		Fracture
		Multiple Fractures

Body Part	Body Part Detail	Diagnosis Description
Ankle/Foot/Toes		Impingement
		Infection
		Inflammation
		Laceration
		Muscle Injury
		Nerve Injury
		Sprain
		Strain
		Stress Reaction
		Surgery
		Tear
		Tendonitis
		Tendon Injury
		Other
Internal Organs	Heart	Inflammation
	Kidney	Aneurysm
	Stomach	Disease
	Lungs	Irregular Heartbeat
	Other	Stones
		Hernia
		Other

Ailment
Cancer
Glaucoma
Pneumonia
Appendectomy
Mumps
Chicken Pox
Measles
German Measles
Bell's Palsy
Psychological or Psychiatric Disorder
Sleep Disorder
Viral Infection
Other

ATTACHMENT 6



MAJOR LEAGUE BASEBALL
PLAYER MEDICAL HISTORY QUESTIONNAIRE
 Beisbol de las Grandes Ligas
 Cuestionario de Historial Médico del Jugador

The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits employers and other entities covered by GINA Title II from requesting or requiring genetic information of an individual or family member of the individual, except as specifically allowed by this law. To comply with this law, we are asking that you not provide any genetic information when responding to this request for medical information. "Genetic information," as defined by GINA, includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

La Ley en Contra de la Discriminación por Información Genética de 2008 (GINA, por sus siglas en inglés) prohíbe a los empleadores y demás entidades cubiertas por el Título II de la ley GINA que soliciten o exijan la información genética de una persona o de un familiar de la persona, excepto en la medida en que específicamente lo permita esta ley. Para cumplir con esta ley, le pedimos que no proporcione ninguna información genética al responder a esta solicitud de información médica. La "información genética", según la define la ley GINA, incluye el historial médico familiar de la persona, los resultados de las pruebas genéticas de la persona o de alguno de sus familiares, el hecho de que una persona o sus familiares hayan procurado o recibido servicios genéticos así como la información genética de un feto engendrado por la persona o por un familiar de la persona o de un embrión que, de acuerdo a la ley, tenga una persona o un familiar que reciba servicios de ayuda reproductiva.

Name Nombre _____	Date Fecha _____	
SS# Número de su seguro social _____	DOB Fecha de nacimiento _____	Age Edad _____
Explain "yes" answers on line or below. Explique las respuestas "sí" en esta línea o abajo.		Don't Know
		YES NO (No Sabe)
1. Have you ever been a patient in the hospital? (Alguna vez ha sido paciente en un hospital?)		() () ()
2. Have you ever had surgery? (Alguna vez ha tenido una operación?)		() () ()
Identify (Identificar): _____ Date (Fecha): _____ Date (Fecha): _____		
3. Are you taking medicine or pills? (Prescription or over-the-counter) (Está tomando alguna medicina o pastillas? (Recetadas o sin receta))		() () ()
Identify (Identificar): _____		

	YES	NO	Don't Know
	(Sí)	(No Sabe)	
4. Do you have any allergies? (¿Tiene alergia a?) _____ () Medicines (Medicinas) Identify (identifique) _____ () Insects (Insectos) Identify (identifique) _____ () Other (Otros) _____	()	()	()
5. Have you ever passed out? (Alguna vez se ha desmayado?) _____ ()	()	()	()
6. Have you ever passed out with exercise? (Alguna vez se ha desmayado después del ejercicio?) _____ ()	()	()	()
7. Have you ever been dizzy during exercise? (Alguna vez ha sentido mareos durante el ejercicio?) _____ ()	()	()	()
8. Have you ever been dizzy after exercise? (Alguna vez ha sentido mareos después del ejercicio?) _____ ()	()	()	()
9. Do you tire more quickly than your friends with exercise? ¿Se cansa más rápido haciendo ejercicio que sus amigos? _____ ()	()	()	()
10. Do you ever have any chest pain with exercise? ¿Alguna vez ha tenido dolor en el pecho durante el ejercicio? _____ ()	()	()	()
11. Do you ever have any chest pain after exercise? ¿Alguna vez ha tenido dolor en el pecho después del ejercicio? _____ ()	()	()	()
12. Have you ever had high blood pressure? ¿Alguna vez ha tenido alta presión sanguínea? _____ ()	()	()	()
13. Have you ever been told you have a heart murmur? ¿Alguna vez le han dicho que tiene un soplo en el corazón? _____ ()	()	()	()
14. Have you had racing of your heart? ¿Alguna vez ha tenido aceleración de los latidos del corazón? Has your heart skipped beats? ¿Alguna vez ha tenido latidos del corazón irregulares? _____ ()	()	()	()
15. Have you ever had a head injury? ¿Alguna vez ha tenido una herida en la cabeza? Have you ever had a concussion? ¿Alguna vez ha tenido una concusión? Have you been knocked out? ¿Alguna vez ha perdido el sentido? _____ ()	()	()	()
16. Have you ever had a seizure? ¿Alguna vez ha tenido un ataque o convulsión? _____ ()	()	()	()
17. Do you have frequent or severe headaches? ¿Tiene dolores de cabeza frecuentes o fuertes? _____ ()	()	()	()
18. Have you ever had a stinger or burner? ¿Alguna vez ha tenido una punzada o ardor? Have you ever had a pinched nerve? ¿Alguna vez ha tenido un nervio pinchado? _____ ()	()	()	()
19. Have you had frequent heat cramps or muscle cramps? ¿Ha tenido frecuentes rágidos por calor o calambres musculares? _____ ()	()	()	()
20. Do you have any trouble breathing during or after exercise? ¿Tiene problemas para respirar durante o después del ejercicio? Do you have any coughing during or after exercise? ¿Tiene problemas por tos durante o después del ejercicio? Do you have any wheezing during or after exercise? ¿Tiene problemas con jadeos durante o después del ejercicio? Do you have or have used in the past an inhaler? ¿Tiene o alguna vez ha usado un inhalador? _____ ()	()	()	()
21. Do you or have you had any problems with vision? ¿Ha tenido, o tiene problemas con la vista? _____ ()	()	()	()
22. Do you wear glasses? ¿Usa espejuelos? Do you wear contacts? ¿Usa lentes de contacto? Do you wear eye protection? ¿Usa protección para los ojos? _____ ()	()	()	()

	YES (Sí)	NO (No)	Don't Know (No Sabe)
23. Do you have hearing difficulties? ¿Tiene dificultad para oír?	()	()	()
Do you have hearing aides? ¿Tiene aparatos de audífonos?	()	()	()
24. Do you have or have you ever had any other medical problems? ¿Tiene ahora o ha tenido algún otro problema médico?			
Diabetes (Diabetes)	()	()	()
Heart (Corazón)	()	()	()
Pneumonia (Pulmonía)	()	()	()
Tuberculosis (Tuberculosis)	()	()	()
Thyroid disease (Enfermedades de la tiroides)	()	()	()
Stomach ailments (Dolencias del estómago)	()	()	()
Kidney problems (Enfermedades de los riñones)	()	()	()
Appendicitis (Apendicitis)	()	()	()
Lumps or cysts (Protuberancias o quistes)	()	()	()
Frequent sinus infections (Infecciones sinusales frecuentes)	()	()	()
Frequent sore throats (Dolores frecuentes de garganta)	()	()	()
Rectal bleeding (Hemorragias por el recto)	()	()	()
Rheumatic fever (Fiebre reumática)	()	()	()
Asthma (Asma)	()	()	()
Other (Otro)			
25. Have you ever had a broken bone or dislocation? ¿Alguna vez se le ha quebrado o dislocado un hueso?	()	()	()
Identify (Identificar): _____ Date (Fecha): _____			
Identify (Identificar): _____ Date (Fecha): _____			
26. Do you have any skin problems? Tiene problemas de la piel?	()	()	()
() Itching (comezón)			
() Rashes (rocas)			
() Changing moles (lunares que cambien de color)			
() Other (otro)			
27. Have you had any complications from anesthesia (being put to sleep for surgery)? ¿Alguna vez ha tenido alguna complicación bajo anestesia (cuando lo han puesto a dormir para alguna operación)?	()	()	()
28. Are you missing any paired organs? ¿Ha perdido algún órgano de los que vienen en pares?	()	()	()
() Eyes (ojos)			
() Kidneys (riñones)			
() Testicles (testículos)			
() Other (otro)			
29. Have you ever had a hernia or hernia repair? ¿Alguna vez tenido hernia o le han reparado una hernia?	()	()	()
30. Have you ever had a sexually transmitted disease? ¿Alguna vez ha tenido alguna enfermedad transmitida sexualmente?	()	()	()